INVESTORS EXCHANGE RULE BOOK

Updated through May 22, 2024*

* Investors Exchange rules were adopted by Securities Exchange Act Release No. 34-78101; File No. 10-222 (June 17, 2016). Dates of subsequent changes to the Investors Exchange Rule Book are indicated herein.

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CHAPTER 1. ADOPTION, INTERPRETATION AND APPLICATION OF IEX RULES, AND DEFINITIONS

Rule Series 1.100. General Provisions

Rule 1.110. Adoption of IEX Rules

The following IEX Rules are adopted pursuant to Article III, Section 1 and Article X, Section 1 of the Operating Agreement of the Exchange.

Rule 1.120. Effective Date

(a) All IEX Rules shall be effective when approved by the Commission in accordance with the Act and the rules and regulations thereunder, except for those Rules that are effective upon filing with the Commission, and except as otherwise specified by the Exchange in individual Rule filings or these Rules.

Rule 1.130. Interpretation

IEX Rules shall be interpreted in such a manner as to comply with the rules and requirements of the Act and to effectuate the purposes and business of the Exchange, as well as to require that all practices by the Exchange be just, reasonable, and not unfairly discriminatory.

Rule 1.140. Reserved.

Rule 1.150. Applicability

(a) These Rules shall apply to all Members and persons associated with a Member. Persons associated with a Member shall have the same duties and obligations as a Member under these Rules.

(b) A Member or person associated with a Member, who has been expelled, canceled, or revoked from membership or from registration with the Exchange, or who has been barred from being associated with all Members, shall cease to have any privileges of Exchange membership or registration. A Member or person associated with a Member who has been suspended from Exchange membership or registration shall also cease to have any privileges of membership or registration other than those under the Code of Procedure as set forth in Chapter 9 of the IEX Rules. In neither case shall such a Member or person associated with a Member be entitled to recover any admission fees, dues, assessments or other charges paid to the Exchange.

(c) A Member or person associated with a Member who has been suspended from Exchange membership or registration shall be considered a non-Member during the period of suspension for purposes of applying the provisions of these Rules, which govern dealings between both Members and non-Members. In this regard, such non-Member shall retain all of the obligations imposed on a Member or person associated with a Member by the Rules of the Exchange.

Rule 1.160. Definitions

Unless the context otherwise requires, for all purposes of these IEX Rules, terms used in IEX Rules shall have the meaning assigned in Article I of the Exchange's Operating Agreement or as set forth below:

(a) Act or Exchange Act: The terms "Act" or "Exchange Act" shall mean the Securities Exchange Act of 1934, as amended.

(b) Active Order: The term "active order" shall mean an order checking against the Order Book for contra-side interest against which to execute and includes new incoming orders, orders posting to the Order Book after having been routed to away trading centers, and orders Rechecking the Order Book pursuant to IEX Rule 11.230(a)(4)(D). For each symbol, only one order may be Active at a given time.

(c) Adverse Action: The term "adverse action" shall mean any action taken by the Exchange that adversely affects the rights of any Member, applicant for membership, or any person associated with a Member (including the denial of membership and the barring of any person from becoming associated with a Member), and any prohibition or limitation by the Exchange imposed on any person with respect to access to services offered by the Exchange, or a Member thereof. This term does not include disciplinary actions for violations of any provision of the Act or the rules and regulations promulgated thereunder, or any provision of the Operating Agreement or IEX Rules or any interpretation thereof, or resolution or order of the Board or appropriate committee of the Board, which has been filed with the Commission pursuant to Section 19(b) of the Act and has become effective thereunder. Review of disciplinary actions is provided for in IEX Rule Series 9.500.

(d) Authorized Trader or AT: The terms "Authorized Trader" or "AT" shall mean a person who may submit orders (or who supervises a routing engine that may automatically submit orders) to the Exchange's trading facilities on behalf of the Member he or she is associated with or his or her Sponsored Participant.

(e) Board or Board of Directors: The terms "Board" and "Board of Directors" shall mean the Board of Directors of the Exchange.

(f) Broker: The term "broker" shall have the same meaning as in Section 3(a)(4) of the Act.

(g) Chief Regulatory Officer: The term "Chief Regulatory Officer" or "CRO" means the Chief Regulatory Officer of IEX, or his or her delegate.

(h) Code of Procedure: The term "Code of Procedure" means the procedural rules contained in Chapter 9 of the IEX Rules.

(i) Commission or SEC: The terms "Commission" or "SEC" mean the U.S. Securities and Exchange Commission, established pursuant to the Act.

(j) Customer: The term "customer" shall not include a broker or dealer.

(k) Dealer: The term "dealer" shall have the same meaning as in Section 3(a)(5) of the Act.

(l) Designated Self-Regulatory Organization: The term "designated self-regulatory organization" shall mean a self-regulatory organization, other than the Exchange, designated by the Commission under Section 17(d) of the Act to enforce compliance with IEX Rules by the Exchange's Members.

(m) Exchange: The term "Exchange" shall mean Investors' Exchange LLC, a registered national securities exchange.

(n) FINRA or NASD: The terms "FINRA" and "NASD" mean, collectively, the Financial Industry Regulatory Authority and its subsidiaries.

(o) IEX. The term "IEX" shall mean the Exchange.

(p) IEX Order Book or Order Book: The terms "IEX Order Book" and "Order Book" shall mean the System's electronic file of orders.

(q) IEX Regulation: The term "IEX Regulation" means the department of IEX or designated employees of IEX that supervise, administer, or perform the regulatory functions of IEX, including the administration of any regulatory services agreements with another self-regulatory organization to which IEX is a party.

(r) IEX Appeals Committee: The term "IEX Appeals Committee" means the committee authorized and directed to act for the Board of Directors in a manner consistent with the Rules and Operating Agreement of IEX with respect to (1) an appeal or review of a disciplinary proceeding; (2) a statutory disqualification decision; (3) a review of a membership proceeding; (4) a review of an offer of settlement, a letter of acceptance, waiver, and consent, and a minor rule violation plan letter; (5) the exercise of exemptive authority; and (6) such other proceedings or actions authorized by the Rules of the Exchange.

(s) Member: The term "Member" shall mean any registered broker or dealer that has been admitted to membership in the Exchange. A Member will have the status of a Member of the Exchange as that term is defined in Section 3(a)(3) of the Act. Membership may be granted to a sole proprietor, partnership, corporation, limited liability company, or other organization that is a registered broker or dealer pursuant to Section 15 of the Act, and which has been approved by the Exchange.

(t) Midpoint Price: The term "Midpoint Price" shall mean the midpoint of the NBBO. Where the Midpoint Price may be expressed within four (4) decimal places beyond the dollar, the Exchange uses the Midpoint Price; for Midpoint Prices which would require a fifth decimal place beyond the dollar, the Exchange uses the nearest, passive, fourth decimal price.

(u) NBB, NBO, or NBBO: The term "NBB" shall mean the national best bid, the term "NBO" shall mean the national best offer, and the term "NBBO" shall mean the national best bid or offer, as set forth in Rule 600(b) of Regulation NMS under the Act, determined as set forth in IEX Rule 11.410(b).

(v) Official Closing Price: The term "Official Closing Price" of a security means the closing price of such security on the primary listing market in such security.

(w) Operating Agreement: The term "Operating Agreement" means the Operating Agreement of the Investors' Exchange LLC.

(x) Person: The term "person" shall include any natural person, partnership, corporation, association, or other legal entity.

(y) (1) Person Associated with a Member or Associated Person of a Member: The terms "person associated with a Member" or "associated person of a Member" mean any partner, officer, director, or branch manager of a Member (or person occupying a similar status or performing similar functions), any person directly or indirectly controlling, controlled by, or under common control with such Member, or any employee of such Member, except that any person associated with a Member whose functions are solely clerical or ministerial shall not be included in the meaning of such term for purposes of these Rules.

(2) Notwithstanding the first paragraph of subsection (y), for purposes of "statutory disqualification" as defined in Section 3(a)(39) of the Exchange Act, the terms "person associated with a Member" or "associated person of a Member" shall mean (1) a natural person who is registered or has applied for registration under the Rules of the Exchange; (2) a sole proprietor, partner, officer, director, or branch manager of a Member, or other natural person occupying a similar status or performing similar functions, or a natural person engaged in the investment banking or securities business who is directly or indirectly controlling or controlled by a Member, whether or not any such person is registered or exempt from registration with the Exchange under its Rules; and (3) for purposes of Rule 8.210, any other person listed in Schedule A of Form BD of a member.

(z) Pre-Market Hours or Pre-Market Session: The term "Pre-Market Hours" or "Pre-Market Session" shall mean the time between 8:00 a.m. and 9:30 a.m. Eastern Time.

(aa) Post-Market Hours or Post-Market Session: The term "Post-Market Hours" or "Post-Market Session" shall mean the time between 4:00 p.m. and 5:00 p.m. Eastern Time.

(bb) Protected Bid, Protected Offer, and Protected Quotation: The term "Protected Bid" or "Protected Offer" shall mean a bid or offer, respectively, in a security that is (i) displayed by an automated trading center; (ii) disseminated pursuant to an effective national market system plan; and (iii) an automated quotation that is calculated by IEX to be the best bid or best offer, respectively, of a national securities exchange or association. The term "Protected Quotation" shall mean a quotation that is a Protected Bid or Protected Offer.

(cc) Protected NBB, Protected NBO, and Protected NBBO: The term "Protected NBB" shall mean the national best bid that is a Protected Quotation, the term "Protected NBO" shall mean the national best offer that is a Protected Quotation, and the term "Protected NBBO" shall mean the national best bid or offer that is a Protected Quotation, determined as set forth in IEX Rule 11.410(b).

(dd) Quotations: The term "quotations" means displayed quotations.

(ee) Registered Broker or Dealer: The term "registered broker or dealer" means any registered broker or dealer, as defined in Section 3(a)(48) of the Act that is registered with the Commission under the Act.

(ff) Registered Clearing Agency: The term "registered clearing agency" means a clearing agency registered with the Commission pursuant to Section 17A of the Act that is deemed qualified by the Exchange.

(gg) Regular Market Hours or Regular Market Session: The term "Regular Market Hours" or "Regular Market Session" means the time between 9:30 a.m. and 4:00 p.m. Eastern Time.

(hh) Regulatory Contract: The term Regulatory Contract means the regulatory services agreement between IEX and FINRA pursuant to which FINRA has agreed to perform certain regulatory functions on behalf of IEX.

(ii) Resting Order: The term "resting order" shall mean any order with unexecuted, open share interest that has been posted to the IEX Order Book pursuant to IEX Rule 11.190.

(jj) Rules, IEX Rules, Exchange Rules, or Rules of the Exchange: Each of the terms "Rules," "IEX Rules," "Exchange Rules" or "Rules of the Exchange" means the numbered rules set forth in the IEX Rules beginning with IEX Rule Series 1.100, as adopted by the Board of Directors pursuant to the Operating Agreement of the Exchange, as hereafter amended

or supplemented, and also includes the Operating Agreement and the Limited Liability Company Agreement of the Investors' Exchange LLC.

(kk) Sponsoring Member: The term "Sponsoring Member" shall mean a broker-dealer that has been issued a membership by the Exchange who has been designated by a Sponsored Participant to execute, clear, and settle transactions resulting from the System. The Sponsoring Member shall be either (i) a clearing firm with membership in a clearing agency registered with the Commission that maintains facilities through which transactions may be cleared or (ii) a correspondent firm with a clearing arrangement with any such clearing firm.

(ll) Sponsored Participant: The term "Sponsored Participant" shall mean a person which has entered into a sponsorship arrangement with a Sponsoring Member pursuant to IEX Rule 11.130.

(mm) Statutory Disqualification: The term "statutory disqualification" shall mean any statutory disqualification as defined in Section 3(a)(39) of the Act.

(nn) System: The term "System" shall mean the electronic communications and trading facility designated by the Board through which securities orders of Members are consolidated for ranking, execution, and, when applicable, routing.

(oo) System Hours: The term "System Hours" means the time between the beginning of the Pre-Market Session and the end of the Post-Market Session, which is the time between 8:00 a.m. and 5:00 p.m. Eastern Time.

(pp) Top of Book: The term "Top of Book" shall mean the best-ranked order to buy (or sell) in the Order Book as ranked pursuant to IEX Rule 11.220.

(qq) User: The term "User" shall mean any Member or Sponsored Participant who is authorized to obtain access to the System pursuant to IEX Rule 11.130.

(rr) UTP Security: The term "UTP Security" shall mean any security that is not listed on the Exchange but is traded on the Exchange pursuant to unlisted trading privileges.

(Amended by SR-IEX-2016-03 eff. July 29, 2016; amended by SR-IEX-2023-03 eff. February 7, 2023.).

Rule 1.170. Regulation of IEX and Its Members

(a) The Exchange and FINRA are parties to the Regulatory Contract pursuant to which FINRA has agreed to perform certain functions described in these Rules on behalf of the Exchange. The IEX Rules that refer to IEX Regulation, IEX Regulation staff, IEX staff, and IEX departments should be understood as also referring to FINRA staff and FINRA departments acting on behalf of the Exchange pursuant to the Regulatory Contract.

(b) 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.

In addition, the Exchange has incorporated by reference certain FINRA and NASD rules. Exchange members shall comply with these rules and interpretations as if such rules and interpretations were part of the Exchange's Rules.

Rule 1.180. Fingerprint-Based Background Checks of Employees and Independent Contractors

(a) In order to enhance the physical security of the facilities, systems, data, and information of IEX and its subsidiaries, affiliates and any facilities of the Exchange (collectively, the "IEX Entities"), it shall be the policy of the IEX Entities to conduct a fingerprint-based criminal records check of (i) all prospective and current employees of the IEX Entities, (ii) all independent contractors who have access to facilities of the IEX Entities for ten business days or longer, and (iii) all temporary employees who have access to facilities of the IEX Entities for ten business days or longer. The IEX Entities shall apply this policy in all circumstances where permitted by applicable law.

(b) The IEX Entities shall submit fingerprint cards obtained pursuant to the foregoing policy to the Attorney General of the United States or his or her designee for identification and processing. The IEX Entities shall at all times maintain the security of fingerprint cards, as well as any information received from the Attorney General of the United States or his or her designee in response to IEX's submission of fingerprint cards.

(c) The Exchange shall evaluate information received from FINRA and otherwise administer this IEX Rule 1.180 in accordance with Exchange fingerprint procedures as in effect from time to time and the provisions of applicable law. Fingerprint-based background information, such as a felony or serious misdemeanor conviction, will be a factor in making employment decisions; engaging or retaining any temporary personnel, or independent contractors; or permitting any fingerprinted person access to Exchange facilities and records.

CHAPTER 2. MEMBERS OF THE EXCHANGE

Rule 2.110. Rights, Privileges and Duties of Members

(a) Unless specified otherwise in IEX Rules or the Operating Agreement of the Exchange, each Member shall have the rights, privileges, and duties of any other Member.

Rule 2.120. Obligations of Members and the Exchange

(a) In addition to all other obligations imposed by the Exchange in its Operating Agreement or IEX Rules, all Members, as a condition of effecting approved securities transactions on the Exchange's trading facilities, shall agree to be regulated by the Exchange and shall recognize that the Exchange is obligated to undertake to enforce compliance with the provisions of IEX Rules, its Operating Agreement, its interpretations and policies and with the provisions of the Act and regulations thereunder, and that, subject to orders and rules of the Commission, the Exchange is required to discipline Members and persons associated with Members for violations of the provisions of IEX Rules, its Operating Agreement, its interpretations and policies of the Exchange and the Act and regulations thereunder, by expulsion, suspension, limitation of activities, functions, and/or operations, fines, censure, being suspended or barred from being associated with a Member, or any other fitting sanction.

Rule 2.130. Member Eligibility

(a) Except as hereinafter provided, any registered broker or dealer that is a Member of another registered national securities exchange or association, or any person associated with such a registered broker or dealer, shall be eligible to be, and to remain, a Member of the Exchange.

Rule 2.140. Prohibited Conditions Relating to Expungement of Customer Dispute

No Member or associated person shall condition or seek to condition settlement of a dispute with a customer on, or to otherwise compensate the customer for, the customer's agreement to consent to, or not to oppose, the Member's or associated person's request to expunge such customer dispute information from the CRD system.

Rule 2.150. Reserved

(Amended by SR-IEX-2018-19 eff. September 25, 2018).

Rule 2.160. Registration Requirements and Restrictions on Membership

(a) No person may become a Member or continue as a Member in any capacity on the Exchange where:

(1) such person is other than a natural person and is not a registered broker or dealer;

(2) such person is a natural person who is not either a registered broker or dealer or associated with a registered broker or dealer;

(3) such person is subject to a statutory disqualification, except that a person may become a Member or continue as a Member where, pursuant to Rules 19d-1, 19d-2, 19d-3 and 19h-1 of the Act, the Commission has issued an order providing relief from such a disqualification and permitting such a person to become a Member; or

(4) such person is not a Member of another registered national securities exchange or association.

(b) No natural person or registered broker or dealer shall be admitted as, or be entitled to continue as, a Member or an associated person of a Member, unless such natural person or broker or dealer meets the standards of training, experience and competence as the Exchange may prescribe. Each Member shall have the responsibility and duty to ascertain by investigation the good character, business repute, qualifications and experience of any person applying for registration with the Exchange as an associated person of a Member.

(c) No registered broker or dealer shall be admitted as, or be entitled to continue as, a Member if such broker or dealer:

(1) fails to comply with either the financial responsibility requirements established by Rule 15c3-1 under the Act, or such other financial responsibility and operational capability requirements as may be established by IEX Rules;

(2) fails to adhere to IEX Rules relating to the maintenance of books and records or those rules of other self-regulatory organizations of which such broker or dealer is or was a Member;

(3) fails to demonstrate to the Exchange adequate systems capability, capacity, integrity, and security necessary to conduct business on the Exchange;

(4) is not a Member of a registered clearing agency, or does not clear transactions executed on the Exchange through another Member that is a Member of a registered clearing agency;

(5) is subject to any unsatisfied liens, judgments, or unsubordinated creditor claims of a material nature, which, in the absence of a reasonable explanation therefor, remain outstanding for more than six months;

(6) has been subject to any bankruptcy proceeding, receivership, or arrangement for the benefit of creditors within the past three years; or

(7) has engaged in an established pattern of failure to pay just debts or has defaulted, without a reasonable explanation, on an obligation to a self-regulatory organization, or any Member of a self-regulatory organization.

(d) No person shall be admitted as a Member or as an associated person of a Member where it appears that such person has engaged, and there is a reasonable likelihood that such person again may engage, in acts or practices inconsistent with just and equitable principles of trade.

(e) Each associated person of a Member must be registered with the Exchange by the Member, unless exempt from registration pursuant to paragraph (m) of this Rule, as a representative or principal in each category of registration appropriate to his or her functions and responsibilities as specified in paragraphs (h), (i), (j), (k), (l) and (n) of this Rule. Members shall not register or maintain the registration of any person unless consistent with the requirements of Rule 2.160. Each such person shall agree:

(1) to supply the Exchange with such information with respect to such person's relationships and dealings with the Member as may be specified by the Exchange;

(2) to permit examination of such person's books and records by the Exchange to verify the accuracy of any information so supplied; and

(3) to be regulated by the Exchange and to recognize that the Exchange is obligated to undertake to enforce compliance with the provisions of IEX Rules, the Operating Agreement, the interpretations and policies of the Exchange, and the provisions of the Act and the regulations thereunder.

Supplementary Material

.01 Permissive Registrations. A Member may make application for or maintain the registration as a representative or principal, pursuant to Rule 2.160, of any associated person of the Member and any individual engaged in the investment banking or securities business of a foreign securities affiliate or subsidiary of the Member. Individuals maintaining such permissive registrations shall be considered registered persons and subject to all IEX rules, to the extent relevant to their activities.

Consistent with the requirements of Rule 5.110, Members shall have adequate supervisory systems and procedures reasonably designed to ensure that individuals with permissive registrations do not act outside the scope of their assigned functions. With respect to an individual who solely maintains a permissive registration(s), the individual's direct supervisor shall not be required to be a registered person. However, for purposes of compliance with Rule 5.110(a)(5), a Member shall assign a registered supervisor who shall be responsible for periodically contacting such individual's direct supervisor to verify that the individual is not acting outside the scope of his or her assigned functions. If such individual is permissively registered as a representative, the registered supervisor shall be registered as a representative or principal. If the individual is permissively registered as a principal, the registered supervisor shall be registered as a principal. Moreover, the registered supervisor of an individual who solely maintains a permissive registration(s) shall not be required to be registered in the same representative or principal registration category as the permissively-registered individual.

.02 Status of Persons Serving in the Armed Forces of the United States. The following provisions address the status of current and former registered persons serving in active duty in the Armed Forces of the United States:

(a) Inactive Status of Currently Registered Persons

A registered person of a Member who volunteers for or is called into active duty in the Armed Forces of the United States shall be placed, after proper notification to the Exchange, on inactive status and need not be re-registered by such Member upon his or her return to active employment with the Member. Such person shall remain eligible to receive transaction-related compensation, including continuing commissions. The employing Member also may allow such person to enter into an arrangement with another

registered person of the Member to take over and service the person's accounts and to share transaction-related compensation based upon the business generated by such accounts. However, because such persons are inactive, they may not perform any of the functions and responsibilities performed by a registered person.

A registered person who is placed on inactive status pursuant to this paragraph (a) shall not be required to complete either the Regulatory Element or Firm Element set forth in Rule 2.160(p) during the pendency of such inactive status. The relief provided in this paragraph (a) shall be available to a registered person who is placed on inactive status pursuant to this paragraph (a) during the period that such person remains registered with the Member with which he or she was registered at the beginning of active duty in the Armed Forces of the United States, regardless of whether the person returns to active employment with another Member upon completion of his or her active duty in the Armed Forces of the United States. The relief described in this paragraph (a) shall be provided only to a person registered with a Member and only while the person remains on active military duty. Further, the Member with which such person is registered shall promptly notify the Exchange in such manner as the Exchange may specify of such person's return to active employment with the Member.

(b) Inactive Status of Sole Proprietorships

A Member that is a sole proprietor who temporarily closes his or her business by reason of volunteering for or being called into active duty in the Armed Forces of the United States, shall be placed, after proper notification to the Exchange, on inactive status while the Member remains on active military duty.

The relief described in this paragraph (b) shall be provided only to a sole proprietor Member and only while the person remains on active military duty. Further, the sole proprietor shall promptly notify the Exchange in such manner as the Exchange may specify of his or her return to active participation in the investment banking or securities business of the Member relating to activity that occurs on the Exchange.

(c) Status of Formerly Registered Persons

If a person who was formerly registered with a Member volunteers for or is called into active duty in the Armed Forces of the United States at any time within two years after the date the person ceased to be registered with a Member, the Exchange shall defer the lapse of registration requirements set forth in Rule 2.160(o) (i.e., toll the two-year expiration period for representative and principal qualification examinations) and the lapse of the SIE (i.e., toll the four-year expiration period for the SIE). The Exchange shall defer the lapse of registration requirements and the SIE commencing on the date the person begins actively serving in the Armed Forces of the United States, provided that the Exchange is properly notified of the person's period of active military service within 90 days following his or her completion of active service or upon his or her re-registration with a Member, whichever occurs first. The deferral will terminate 90 days following the person's completion of active service in the Armed Forces of the United States. Accordingly, if such person does not re-register with a Member within 90 days following his or her completion of active service in the Armed Forces of the United States, the amount of time in which the person must become re-registered with a Member without being subject to a representative or principal qualification examination or the SIE shall consist of the standard two-year period for representative and principal qualification examinations or the standard four-year period for the SIE, whichever is applicable, as provided in Rule 2.160(o) reduced by the period of time between the person's termination of registration and beginning of active service in the Armed Forces of the United States.

If a person placed on inactive status while serving in the Armed Forces of the United States ceases to be registered with a Member, the Exchange shall defer the lapse of registration requirements set forth in Rule 2.160(o) (i.e., toll the two-year expiration period for representative and principal qualification examinations) and the lapse of the SIE (i.e., toll the four-year expiration period for the SIE) during the pendency of his or her active service in the Armed Forces of the United States. The Exchange shall defer the lapse of registration requirements based on existing information in the CRD system, provided that the Exchange is properly notified of the person's period of active military service within two years following his or her completion of active service or upon his or her re-registration with a Member, whichever occurs first. The deferral shall terminate 90 days following the person's completion of active service in the Armed Forces of the United States. Accordingly, if such person does not re-register with a Member within 90 days following his or her completion of active service in the Armed Forces of the United States, the amount of time in which the person

must become re-registered with a Member without being subject to a representative or principal qualification examination or the SIE shall consist of the standard two-year period for representative and principal qualification examinations or the standard four-year period for the SIE, whichever is applicable, as provided in Rule 2.160(o).

(f) The Exchange may require the successful completion of a written proficiency examination to enable it to examine and verify that prospective Members and associated persons of Members have adequate training, experience, and competence to comply with IEX Rules and policies of the Exchange.

(g) If the Exchange requires the completion of such proficiency examinations, the Exchange may, in exceptional cases and where good cause is show, pursuant to IEX Rule Series 9.600, waive such proficiency examinations as are required by the exchange upon written request of the applicant and accept other standards as evidence of an applicant's qualifications. Advanced age, physical infirmity, or experience in fields ancillary to the securities business will not individually of themselves constitute sufficient grounds to waive a proficiency examination.

Supplementary Material

.01 Waiver of Examinations for Individuals Working for a Financial Services Industry Affiliate of a Member.

Upon request by a Member, the Exchange shall waive the applicable qualification examination(s) for an individual designated with the Exchange as working for a financial services industry affiliate of a Member if the following conditions are met:

(a) Prior to the individual's initial designation, the individual was registered as a representative or principal with the Exchange or FINRA for a total of five years within the most recent 10-year period, including for the most recent year with the Member that initially designated the individual;

(b) The waiver request is made within seven years of the individual's initial designation;

(c) The initial designation and any subsequent designation(s) were made concurrently with the filing of the individual's related Form U5;

(d) The individual continuously worked for the financial services industry affiliate(s) of a Member since the individual's last Form U5 filing;

(e) The individual has complied with the Regulatory Element of continuing education as specified in Rule 2.160(a); and

(f) The individual does not have any pending or adverse regulatory matters, or terminations, that are reportable on the Form U4, and has not otherwise been subject to a statutory disqualification as defined in Section 3(a)(39) of the Exchange Act while the individual was designated as eligible for a waiver.

As used in this Supplementary Material .01, a "financial services industry affiliate of a Member" is a legal entity that controls, is controlled by or is under common control with a Member and is regulated by the SEC, CFTC, state securities authorities, federal or state banking authorities, state insurance authorities, or substantially equivalent foreign regulatory authorities.

Effective December 9, 2022, the Exchange will not accept any new initial designations for individuals under the waiver program set forth in Supplementary Material .01 of this Rule.

(h) Before the registration of a qualifying person as a representative can be effective, such person shall pass the Securities Industry Essentials ("SIE") examination and the appropriate representative qualifying examination. The Exchange requires the General Securities Representative Examination ("Series 7") or an equivalent foreign examination module approved by the Exchange in qualifying persons seeking registration as General Securities Representatives, including

as Authorized Traders, on behalf of Members. For those persons seeking limited registration as Securities Traders as described in paragraph (k) below, the Exchange requires the Securities Traders Qualification Examination ("Series 57"), other than any person associated with a Member whose trading activities are conducted principally on behalf of an investment company that is registered with the SEC pursuant to the Investment Company Act and that controls, is controlled by or is under common control, with the Member. The Exchange uses the Uniform Application for Securities Industry Registration or Transfer ("Form U4") as part of its procedure for registration and oversight of Member personnel.

Supplementary Material

.01 Foreign Registrations. Any person who is in good standing as a representative with the Financial Conduct Authority in the United Kingdom or with a Canadian stock exchange or securities regulator shall be exempt from the requirement to pass the SIE.

(i) The Exchange requires each Member other than a Member with only one associated person or a proprietary trading firm with 25 or fewer Authorized Traders ("Limited Size Proprietary Firm") to register at least two Principals with the Exchange. In addition, the Exchange may waive the two Principal requirement in situations that indicate conclusively that only one Principal associated with the Member should be required. A Limited Size Proprietary Firm is required to register at least one Principal with the Exchange. For purposes of this paragraph (i), a "Principal" shall be any individual responsible for supervising the activities of a Member's Authorized Traders and each person designated as a Chief Compliance Officer on Schedule A of Form BD. Each Principal is required to have successfully completed the General Securities Principal Examination ("Series 24"). The Exchange uses Form U4 as part of its procedure for registration and oversight of Member personnel.

The Exchange will accept the Series 14 Compliance Official Examination in lieu of the Series 24 to satisfy the above requirement for any person designated as a Chief Compliance Officer. Individuals that supervise the activities of General Securities Representatives must have successfully completed the Series 7 or an equivalent foreign examination module, as well as the SIE, as a prerequisite to the Series 24 or Series 14 and shall be referred to as General Securities Principals. The Exchange will require the Series 57, as well as the SIE, as a prerequisite to the Series 24 or Series 14 for those Principals whose supervisory responsibilities are limited to overseeing the activities of Series 57 qualified Securities Traders. These limited representative Principals shall be referred to as Securities Trader Principals. Each Principal with responsibility over securities trading activities on the Exchange shall become qualified and registered as a Securities Trader Principal.

Supplementary Material

.01 Requirements for Registered Persons Functioning as Principals for a Limited Period.

Subject to the requirements of Rule 2.160(h), a Member may designate any person currently registered, or who becomes registered with the Member as a representative to function as a principal for a period of 120 calendar days prior to passing an appropriate principal qualification examination as specified under Rule 2.160(i), provided that such person has at least 18 months of experience functioning as a registered representative within the five-year period immediately preceding the designation and has fulfilled all applicable prerequisite registration, fee and examination requirements prior to designation as a principal. However, in no event may such person function as a principal beyond the initial 120 calendar day period without having successfully passed an appropriate principal qualification examination as specified under Rule 2.160(i). The requirements above apply to designations to any principal

category, including those categories that are not subject to a prerequisite representative registration requirement. Further, a person registered as an Order Processing Assistant Representative or a Foreign Associate with FINRA shall not be eligible to be designated as a principal under this Supplementary Material .01.

Subject to the requirements of Rule 2.160(h), a Member may designate any person currently registered, or who becomes registered, with the Member as a principal to function in another principal category for a period of 120 calendar days prior to passing an appropriate qualification examination as specified under Rule 2.160(i). However, in no event may such person function in such other principal category beyond the initial 120 calendar day period without having successfully passed an appropriate qualification examination as specified under Rule 2.160(i).

.02 Temporary Extension of the Limited Period for Registered Persons to Function as Principals.

Any person who was designated to function as a principal under Supplementary Material .01 of this Rule prior to March 3, 2021 may continue to function as a principal without having successfully passed an appropriate qualification examination until June 30, 2021

(j) Each Member subject to Exchange Act Rule 15c3-1 shall designate a Financial/Operations Principal. The duties of a Financial/Operations Principal shall include taking appropriate actions to assure that the Member complies with applicable financial and operational requirements under Exchange Rules and the Exchange Act, including but not limited to those requirements relating to the submission of financial reports and the maintenance of books and records. Each Financial/Operations Principal is required to have successfully completed the Financial and Operations Principal Examination ("Series 27") or, in the case of a Member that operates other than pursuant to Exchange Act Rule 15c3-1(a)(1)(ii), (a)(2)(i) or (a)(8), its Financial/Operations Principal must successfully complete either the Series 27 examination or the Introducing Broker-Dealer Financial and Operations Principal Examination ("Series 28"). The Exchange uses Form U4 as part of its procedure for registration and oversight of Member personnel. A Financial/Operations Principal of a Member may be a full-time employee of the Member or may be a part-time employee or independent contractor of the Member.

(k) The Exchange recognizes the Series 57 qualification for Authorized Traders that engage solely in trading on the Exchange, on either an agency or principal basis.

(l) For purposes of paragraphs (i) above, a "proprietary trading firm" shall mean a Member that trades its own capital, that does not have customers, and that is not a member of FINRA. In addition, to qualify for this definition, the funds used by a proprietary trading firm must be exclusively firm funds, all trading must be in the firm's accounts, and traders must be owners of, employees of, or contractors to the firm.

(m) The following associated persons of a Member are not required to be registered with the Exchange:

(1) associated persons of a Member whose functions are solely and exclusively clerical or ministerial.

(2) associated persons of a Member whose functions are related solely and exclusively to:

(A) effecting transactions on the floor of a national securities exchange and who are appropriately registered with such exchange;

(B) transactions in municipal securities;

(C) transactions in commodities; or

(D) transactions in securities futures, provided that any such person is appropriately registered with a registered futures association.

(3) Associated persons of a Member that are restricted from accessing the Exchange and that do not engage in the securities business of the Member relating to activity that occurs on the Exchange.

Supplementary Material

.01 Registration Requirements for associated persons of a Member Who Accept Customer Orders. The function of accepting customer orders is not considered a clerical or ministerial function. Each associated person of a Member who accepts customer orders under any circumstances shall be registered in an appropriate registration category pursuant to this Rule 2.160. An associated person of a Member shall not be considered to be accepting a customer order where occasionally, when an appropriately registered person is unavailable, such person transcribes order details submitted by a customer and the registered person contacts the customer to confirm the order details before entering the order.

(n) The following sets forth the qualification requirements for each of the registration categories described above:

CATEGORY OF REGISTRATION	QUALIFICATION EXAMINATION	ALTERNATIVE ACCEPTABLE QUALIFICATIONS
General Securities Representative	Series 7	Equivalent foreign examination module (Series 17 or Series 37/38)
Securities Trader	Series 57	N/A
General Securities Principal	Series 24	Compliance Official Examination (Series 14)[1]
Securities Trader Principal	Series 24	Compliance Official Examination (Series 14)[1]
Financial/Operations Principal	Series 27	Series 28[2]

[1] The Exchange will only permit the Series 14 for those designated as Chief Compliance Officers on Schedule A of Form BD.

[2] The Exchange will only permit the Series 28 as an alternative examination for the Financial/Operations Principal of a Member that operates other than pursuant to Exchange Act Rule 15c3-1(a)(1)(ii), (a)(2)(i) or (a)(8), as specified in paragraph (j) above.

(o) Lapse of Registration and Expiration of SIE.

Any person who was last registered in a representative registration category two or more years immediately preceding the date of receipt by the Exchange of a new application for registration in that registration category shall be required to pass a representative qualification examination appropriate to that registration category as specified in paragraphs (h), (i), (j), (k), (l) and (n) of Rule 2.160, unless the person has maintained his or her qualification status for that registration category in accordance with subparagraph (c) of Rule 2.160(p) or as otherwise permitted by the Exchange. Any person who last passed the SIE or who was last registered as a representative, whichever occurred last, four or more years immediately preceding the date of receipt by the Exchange of a new application for registration as a representative shall be required to pass the SIE in addition to a representative qualification examination appropriate to his or her category of registration as specified in paragraphs (h), (i), (j), (k), (l) and (n) of Rule 2.160.

Any person who was last registered in a principal registration category two or more years immediately preceding the date of receipt by the Exchange of a new application for registration in that registration category shall be required to pass a principal qualification examination appropriate to that registration category as specified in paragraphs (h), (i), (j), (k), (l) and (n) of Rule 2.160, unless the person has maintained his or her qualification status for that registration category in accordance with subparagraph (c) of Rule 2.160(p) or as otherwise permitted by the Exchange. Any person whose registration has been revoked pursuant to Rule 8.310 and any person who has a continuing education deficiency for a period of two years as provided in subparagraph (a) of Rule 2.160(p) shall be required to pass a representative or principal qualification examination appropriate to his or her category of registration as specified in paragraphs (h), (i), (j), (k), (l) and (n) of Rule 2.160 to be eligible for registration with the Exchange. For purposes of this paragraph, an application shall not be considered to have been received by the Exchange if that application does not result in a registration.

(p) Continuing Education Requirements.

This Rule prescribes requirements regarding the continuing education of specified persons subsequent to their initial registration with the Exchange. The requirements shall consist of a Regulatory Element and a Firm Element as set forth below. This Rule also sets forth continuing education programs through which specified persons may maintain their qualification in a representative or principal registration category following the termination of that registration category.

(a) Regulatory Element

(1) Requirements.

Each associated person registered with the Exchange (each a "Registered Person" for purposes of this subparagraph (a)), including any person who is permissively registered pursuant to Supplementary Material .01 to Rule 2.160(e) and any person who is designated as eligible for a waiver pursuant to Supplementary Material .01 to Rule 2.160(g), shall comply with the requirement to complete the Regulatory Element for each representative or principal registration category that they hold as specified in this rule.

Each Registered Person registered with the Exchange immediately preceding January 1, 2023 shall complete the Regulatory Element of the continuing education program for the registration category annually by December 31, 2023 and by December 31 of every year thereafter in which the person remains registered, or as otherwise prescribed by FINRA. Each Registered Person registering with the Exchange in a representative or principal registration category for the first time on or after January 1, 2023 shall complete the Regulatory Element for the

registration category annually by December 31 of the subsequent calendar year following the calendar year in which the person becomes registered and by December 31 of every year thereafter in which the person remains registered, or as otherwise prescribed by FINRA. Nothing in this paragraph shall prohibit a Member from requiring its Registered Persons to complete their Regulatory Element for their registration categories at any time during the calendar year. A Registered Person qualified solely as a Securities Trader shall comply with the continuing education requirements appropriate for the Series 57. All other Registered Persons shall comply with the continuing education requirements applicable to their particular registration. The content of the Regulatory Element for a person designated as eligible for a waiver pursuant to Supplementary Material .01 to Rule 2.160(g) shall be determined based on the person's most recent registration status, and the Regulatory Element shall be completed based on the same cycle had the person remained registered.

(2) Failure to Complete.

Unless otherwise determined by the Exchange, Registered Persons who have not completed the Regulatory Element of the continuing education program within the prescribed calendar year in which the Regulatory Element is due will have their registration(s) deemed inactive until such time as they complete all required Regulatory Elements, including any Regulatory Element that becomes due while their registration(s) is deemed inactive. Further, such person shall not be permitted to be registered in another registration category under Rule 2.160 with that Member or to be registered in any registration category under Rule 2.160 with another Member, until the person has satisfied the deficiency. Any person whose registration has been deemed inactive under this IEX Rule shall cease all activities as a Registered Person and is prohibited from functioning in any capacity requiring registration with the Exchange. Further, such person may not accept or solicit business or receive any compensation for the purchase or sale of securities. However, such person may receive trail or residual commissions resulting from transactions completed before the inactive status, unless the Member with which such person is associated has a policy prohibiting such trail or residual commissions. A registration that remains inactive for a period of two consecutive years will be administratively terminated. A person whose registration(s) is so terminated or who otherwise fails to complete the required Regulatory Element for two consecutive years may reactivate the registration only by reapplying for registration and satisfying applicable registration and qualification requirements of the Exchange's Rules. The two-year period under this paragraph is calculated from the date a person's registration(s) is calculated from the date a person's registration(s) is deemed inactive. The Exchange may, upon written application, with supporting documentation, and a showing of good cause, allow for additional time for a Registered Person to satisfy the Regulatory Element requirements. If a person designated as eligible for a waiver pursuant to Supplementary Material .01 to Rule 2.160(g) fails to complete the Regulatory Element within the prescribed time frames, the person shall no longer be eligible for such a waiver.

(3) Disciplinary Actions.

A Registered Person, other than a person designated as eligible for a waiver pursuant to Supplementary Material .01 to Rule 2.160(g), may be required to complete assigned continuing education as prescribed by the Exchange in the event such person:

(A) is subject to any statutory disqualification as defined in Section 3(a)(39) of the Exchange Act,

(B) is subject to suspension or to the imposition of a fine of $5,000 or more for violation of any provision of any securities law or regulation, or any agreement with or rule or standard of conduct of any

securities governmental agency, securities self- regulatory organization, or as imposed by any such regulatory or self-regulatory organization in connection with a disciplinary proceeding, or

(C) is ordered as a sanction in a disciplinary action to complete continuing education by any securities governmental agency or securities self-regulatory organization.

Such Registered Person must complete any continuing education required under this paragraph within 120 days of the Registered Person becoming subject to the statutory disqualification, in the case of 3(A) above, or the disciplinary action becoming final, in the case of 3(B) or (C) above.

(4) Reregistration

Any Registered Person who reregisters shall complete the Regulatory Element content for the registration annually by December 31 of the subsequent calendar year following the calendar year in which the person becomes reregistered and by December 31 of every year thereafter in which the person remains registered, or as otherwise prescribed by the Exchange, provided that they have already completed Regulatory Element content for that registration category for the calendar year in which they are registering by having passed an examination for that registration category, or they are reregistering by having obtained an unconditional examination waiver for that registration category.

Any Registered Person who is reregistering in a representative or principal registration category without having completed any Regulatory Element content for that registration calendar in which he or she is reregistering or without having passed an examination for that registration category or without having obtained an unconditional examination waiver for that registration category shall complete the Regulatory Element content for that registration category annually by December 31 of every year thereafter in which he or she remains registered, or as otherwise prescribed by the Exchange.

If a Registered Person has not completed any Regulatory Element content for a registration category in the calendar year(s) prior to the reregistering, the Exchange would not approve a registration request for that ategory until they complete that Regulatory Element content or they pass an examination for that registration category or they obtain an unconditional examination waiver for that registration category, whichever is applicable.

Nothing in this paragraph shall prohibit a Member from requiring Registered Persons for their registration categories at any time during the calendar year.

The following sets forth the Regulatory Elements appropriate for each registration category:

CATEGORY OF REGISTRATION	REGULATORY ELEMENT
General Securities Representative	S101 General Program
Securities Trader	S101 General Program
General Securities Principal	S201 Supervisor Program

CATEGORY OF REGISTRATION	REGULATORY ELEMENT
Securities Trader Principal	S201 Supervisor Program
Financial/Operations Principal	S201 Supervisor Program

(5) Reserved.

(6) Delivery of the Regulatory Element

The Regulatory Element shall be administered through Web-based delivery or such other technological manner and format as specified by FINRA.

(7) Regulatory Element Contact Person

Each Member shall designate and identify to FINRA on behalf of the Exchange (by name and e-mail address) an individual or individuals responsible for receiving e-mail notifications regarding a Registered Person's completion of his or her Regulatory Element. Each Member shall identify, review, and, if necessary, update the information regarding its Regulatory Element contact person(s) in the manner prescribed by FINRA Rule 4517.

(b) Firm Element

(1) Persons Subject to the Firm Element

The requirements of this subparagraph shall apply to any person registered with a Member, pursuant to Rule 2.160, including any person who is permissively registered pursuant to Supplementary Material .01 to Rule 2.160(e).

(2) Standards for the Firm Element

(A) Each Member must maintain a continuing and current education program for its covered registered persons to enhance their securities knowledge, skill, and professionalism. At a minimum, each Member shall at least annually evaluate and prioritize its training needs and develop a written training plan. The plan must take into consideration the Member's size, organizational structure, and scope of business activities, as well as regulatory developments and the performance of covered registered persons in the Regulatory Element. If a Member's analysis establishes the need for supervisory training for persons with supervisory responsibilities, such training must be included in the Member's training plan.

(B) Minimum Standards for Training Programs — Programs used to implement a Member's training plan must be appropriate for the business of the Member and, at a minimum must cover training topics related to the role, activities or responsibilities of the covered registered person and to professional responsibility.

(C) Administration of Continuing Education Program — A Member must administer its continuing education programs under this subparagraph in accordance with its annual evaluation and written plan and must maintain records documenting the content of the programs and completion of the programs by covered registered persons.

(D) Participation in Other Required Training — A Member may consider a covered registered person's participation in the member's anti-money laundering compliance training under Rule 5160 and a covered registered person's participation in the member's annual compliance training under Rule 5.110(a)(7) toward satisfying the registered person's continuing education requirement under this subparagraph.

(3) Participation in the Firm Element

Registered persons must take all appropriate and reasonable steps to participate in continuing education programs under this subparagraph as required by the Member.

(4) Specific Training Requirements

The Exchange may require a Member, individually or as part of a larger group, to provide specific training to its registered persons in such areas as the Exchange deems appropriate. Such a requirement may stipulate the class of registered persons for which it is applicable, the time period in which the requirement must be satisfied and, where appropriate, the actual training content.

(c) Continuing Education Program for Persons Maintaining Their Qualification Following the Termination of a Registration Category.

A person who terminates any of his or her representative or principal registration categories with FINRA may maintain his or her qualification for any of the terminated registration categories for a period of five years following the termination of the registration category, subject to the following conditions:

(1) The person was registered in the registration category for at least one year immediately preceding the termination of the registration category and the person was not subject to a statutory disqualification as defined in Section 3(a)(39) of the Exchange Act during the registration period;

(2) The person elects to participate in the continuing education program under this subparagraph at the time of his or her Form U5 submission or at a later date within two years from the termination of his or her registration category, provided that if the person commences at the later date the person completes within two years from the termination of his or her registration category any continuing education that was due under the program between the time of his or her Form U5 submission and the later date he or she commences participating in the program;

(3) The person completes annually by December 31 of the calendar year in a manner specified by FINRA all prescribed continuing education during his or her participation in the program under this paragraph (c), provided that FINRA may, upon written application by the person, with supporting documentation, and a showing of good cause, allow for additional time for the person to complete the prescribed continuing education;

(4) The person does not have a continuing education deficiency with respect to his or her Regulatory Element for two consecutive years as provided in IEX Rule 2.160(p)(a)(2);

(5) The person does not become subject to a continuing education deficiency with respect to his or her Regulatory Element for two consecutive years as provided in IEX Rule 2.160(p)(a)(2) while participating in the program under this subparagraph; and

(6) The person does not become subject to a statutory disqualification as defined in Section 3(a)(39) of the Exchange Act following the termination of his or her registration category or while participating in the program under this subparagraph.

Supplementary Material

.01 Eligibility of Other Persons to Participate in the Continuing Education Program Specified in Subparagraph (c) of Rule 2.160(p).

A person registered in a representative or principal registration category with FINRA within two years immediately preceding March 15, 2022 was eligible to participate in the continuing education program under subparagraph (c) of this Rule 2.160(p), provided that he or she satisfied the conditions set forth in subparagraphs (c)(1) and (c)(3) through (c)(6) of Rule 2.160(p). In addition, any person who was designated as eligible for a waiver pursuant to Supplementary Material .01 to Rule 2.160(g) immediately preceding March 15, 2022 was eligible to participate in the continuing education program under subparagraph (c) of this Rule 2.160(p), provided that he or she satisfied the conditions set forth in subparagraphs (c)(1) and (c)(3) through (c)(6) of Rule 2.160(p). Persons eligible under this Supplementary Material .01 either: (1) had to make their election to participate with FINRA in the continuing education program under subparagraph (c) of this Rule 2.160(p) by March 15, 2022; or (2) shall make their election to participate with IEX between July 13, 2023, and December 31, 2023. If such persons elect to participate in the continuing education program, their participation period shall also be for a period of five years following the termination of their registration categories, as with other participants under subparagraph (c) of this Rule 2.160(p). Individuals enrolled in the continuing education program under this Supplementary Material .01 in both 2022 and 2023 who did not complete their prescribed 2022 and 2023 continuing education content as of March 31, 2024, shall be able to complete such content between May 22, 2024, and July 1, 2024, to be eligible to continue their participation in the continuing education program. In addition, any such individuals who will have completed their prescribed 2022 and 2023 continuing education content between March 31, 2024, and May 22, 2024, shall be deemed to have completed such content by July 1, 2024, for purposes of this Supplementary Material .01.

.02 Re-Eligibility to Participate in the Continuing Education Program Specified in Subparagraph (c) of this Rule 2.160(p).

A person who previously participated in the continuing education program under subparagraph (c) of this Rule 2.160(p) may become re-eligible to participate in the program if he or she reregisters with a Member and subsequently satisfies the conditions set forth in subparagraphs (c)(1) and (c)(4) of this Rule 2.160(p). In such an event, the person may elect to again participate in the program subject to satisfying the remaining conditions set forth in paragraph (c) of this Rule 2.160(p).

(q) Registration Procedures.

(1) Persons associated with a Member who seeks to register with the Exchange shall electronically file a Form U4 with the Central Registration Depository ("CRD") System by appropriately checking the Exchange as a requested registration on the electronic Form U4 filing. Any person required to complete Form U4 shall promptly electronically file any required amendments to Form U4 with the CRD System.

(r) Termination of Employment.

(1) The discharge or termination of employment of any person registered with the Exchange, together with the reasons therefor, shall be electronically reported to the CRD System, by an applicable Member immediately following the date of termination, but in no event later than thirty days following termination on a Uniform Termination Notice for Securities Industry Registration ("Form U5"). A copy of said termination notice shall be provided concurrently to the person whose association has been terminated.

(2) The applicable Member shall also electronically report to the CRD System, by means of an amendment to the Form U5 filed pursuant to paragraph (r)(1) above, in the event that the Member learns of facts or circumstances causing any information set forth in the notice to become inaccurate or incomplete. Such amendment shall be provided concurrently to the person whose association has been terminated no later than thirty days after the Member learns of the facts or circumstances giving rise to the amendment.

(Amended by SR-IEX-2018-19 eff. September 25, 2018; amended by SR-IEX-2018-21 eff. October 4, 2018; amended by SR-IEX-2020-20 eff. December 15, 2020; amended by SR-IEX-2021-07 eff. April 21, 2021; amended by SR-IEX-2022-11 eff. Dec. 9, 2022; amended by SR-IEX-2023-07 eff. July 17, 2023; amended by SR-IEX-2024-10 eff. May 22, 2024).

Rule 2.170. Application Procedures for Membership or to become an Associated Person of a Member

(a) Applications for membership shall be made to the Exchange and shall contain the following:

(1) An agreement to abide by, comply with, and adhere to the provisions of the Exchange's Certificate of Formation, its Operating Agreement, IEX Rules, the policies, interpretations and guidelines of the Exchange and all orders and decisions of the Exchange's Board and penalties imposed by the Board, and any duly authorized committee; provided, however, that such agreement shall not be construed as a waiver by the applicant of any right to appeal as provided in the Act.

(2) An agreement to pay such dues, assessments, and other charges in the manner and amount as shall from time to time be fixed by the Exchange.

(3) An agreement that the Exchange and its officers, employees, and Members of its Board and of any Board committee shall not be liable, except for willful malfeasance, to the applicant or to any other person, for any action taken by such director, officer or Member in his, her or its official capacity, or by any employee of the Exchange while acting within the scope of his or her employment, in connection with the administration or enforcement of any of the provisions of the Certificate of Formation, Operating Agreement, IEX Rules, policies, interpretations or guidelines of the Exchange or any penalty imposed by the Exchange, its Board, or any duly authorized Board committee.

(4) An agreement that, in cases where the applicant fails to prevail in a lawsuit or administrative adjudicative proceeding instituted by the applicant against the Exchange or any of its officers, directors, committee Members, employees, or agents, to pay the Exchange or any of its officers, directors, committee Members, employees, or agents, all reasonable expenses, including attorneys' fees, incurred by the Exchange in the defense of such proceeding, but only in the event that such expenses exceed Fifty Thousand Dollars ($50,000.00); provided, however, that such payment obligation shall not apply to internal disciplinary actions by the Exchange or administrative appeals.

(5) An agreement to maintain and make available to the Exchange, its authorized employees and its Board or Board committee Members such books and records as may be required to be maintained by the Commission or IEX Rules.

(6) Such other reasonable information with respect to the applicant as the Exchange may require.

(b) Applications for association with a Member shall be made on Form U4 and such other forms as the Exchange may prescribe, and shall be delivered to the Exchange in such manner as designated by the Exchange.

(c) If the Exchange is satisfied that the applicant is qualified for membership pursuant to the provisions of this Chapter, the Exchange shall promptly notify, in writing, the applicant of such determination, and the applicant shall be a Member.

(d) If the Exchange is not satisfied that the applicant is qualified for membership pursuant to the provisions of this Chapter, the Exchange shall promptly notify the applicant of the grounds for denying the applicant. The Board on its own motion may reverse the determination that the applicant is not qualified for membership. If a majority of the Board specifically determines to reverse the determination to deny membership, the Board shall promptly notify Exchange staff, who shall promptly notify the applicant of the Board's decision and shall grant membership to the applicant. An applicant who has been denied membership may appeal such decision under IEX Rule Series 9.500, which govern adverse action.

(e) In considering applications for membership, the Exchange shall adhere to the following procedures:

(1) Where an application is granted, the Exchange shall promptly notify the applicant.

(2) The applicant shall be afforded an opportunity to be heard on the denial of membership pursuant to IEX Rules Series 9.500, which govern adverse action.

(f) Except where, pursuant to Section 17(d) of the Act, the Exchange has been relieved of its responsibility to review and act upon applications for associated persons of a Member, the procedure set forth in this Chapter shall govern the processing of any such applications.

(g) Each applicant shall file with the Exchange a list and descriptive identification of those persons associated with the applicant who are its executive officers, directors, principal shareholders, and general partners. Such persons shall file with the Exchange a Uniform Application for Securities Industry Registration or Transfer ("Form U4"). Applicants approved as Members of the Exchange must keep such information current with the Exchange.

Rule 2.180. Revocation of Membership or Association with a Member

Members or associated persons of Members may effect approved securities transactions on the Exchange's trading facilities only so long as they possess all the qualifications set forth in IEX Rules. Except where, pursuant to Section 17(d) of the Act, the Exchange has been relieved of its responsibility to monitor the continued qualifications of a Member or an associated person of a Member, when the Exchange has reason to believe that a Member or associated person of a Member fails to meet such qualifications, the Exchange may act to revoke such Member or associated person of a Member's membership or association with the Exchange. Such action shall be instituted under, and governed by, Chapter 8 of IEX Rules and may be appealed under IEX Rules Series 9.500, which govern adverse action. In connection with any revocation of rights as a Member or voluntary termination of rights as a Member pursuant to IEX Rule 2.190 below, the Member's membership in the Exchange shall be canceled.

Rule 2.190. Voluntary Termination of Rights as a Member

A Member may voluntarily terminate its rights as a Member only by a written resignation addressed to the Exchange's Secretary or another officer designated by the Exchange. Such resignation shall not take effect until 30 days after all of the following conditions have been satisfied: (i) receipt of such written resignation; (ii) all indebtedness due the Exchange shall have been paid in full; (iii) any Exchange investigation or disciplinary action brought against the Member has reached a final disposition; and (iv) any examination by the Exchange of such Member is completed and all exceptions noted have been reasonably resolved; provided, however, that the Board may declare a resignation effective at any earlier time.

Rule 2.200. Dues, Assessments and Other Charges

The Exchange may prescribe such reasonable assessments, dues, or other charges as it may, in its discretion, deem appropriate. Such assessments and charges shall be equitably allocated among Members, issuers, and other entities or persons using the Exchange's facilities.

Rule 2.210. No Affiliation between Exchange and any Member

(a) Without the prior approval of the Commission, the Exchange or any entity with which it is affiliated shall not, directly or indirectly, acquire, or maintain an ownership interest in a Member. In addition, without the prior approval of the Commission, a Member shall not be or become an affiliate of the Exchange, or an affiliate of any affiliate of the Exchange. The term affiliate shall have the meaning specified in Rule 12b-2 under the Act. Nothing in this IEX Rule 2.210 shall prohibit a Member or its affiliate from acquiring or holding an equity interest in IEX Group, Inc. that is permitted by the ownership and voting limitations contained in the Certificate of Incorporation and Bylaws of IEX Group, Inc. In addition, nothing in this IEX Rule 2.210 shall prohibit a Member from being or becoming an affiliate of the Exchange, or an affiliate of any affiliate of the Exchange, solely by reason of such Member or any officer, director, manager, managing member, partner, or affiliate of such Member being or becoming either (a) a Director (as such term is defined in the Operating Agreement of the Exchange) pursuant to the Operating Agreement of the Exchange, or (b) a Director serving on the Board of Directors of IEX Group, Inc.

Rule 2.220. IEX Services LLC as Outbound Router

(a) All outbound routing by the System shall be performed by the Exchange's affiliated broker-dealer, IEX Services LLC ("IEX Services"), which, in turn, shall route orders directly to other securities exchanges, facilities of securities exchanges, automated trading systems, electronic communications networks, or other brokers or dealers (collectively, "away trading centers") as directed by the Exchange. The Exchange will determine the logic that provides when, how, and where orders are routed ("System routing logic") and IEX Services will receive routing instructions from the Exchange, to route orders to away trading centers and report such executions back to the Exchange ("System routing

instructions"). For so long as IEX Services is affiliated with the Exchange and is providing outbound routing of orders from the Exchange to away trading centers (such function of IEX Services is referred to as the "Outbound Router"), each of the Exchange and IEX Services shall undertake as follows:

(1) The Exchange will regulate the Outbound Router function of IEX Services as a facility (as defined in Section 3(a)(2) of the Act), subject to Section 6 of the Act. In particular, and without limitation, under the Act, the Exchange will be responsible for filing with the Commission rule changes and fees relating to the IEX Services Outbound Router function and IEX Services will be subject to exchange non-discrimination requirements.

(2) FINRA will carry out oversight and enforcement responsibilities as the examining authority designated by the Commission pursuant to Rule 17d-1 of the Act with the responsibility for examining IEX Services for compliance with applicable financial responsibility rules.

(3) A Member's use of IEX Services to route orders to an away trading center will be optional. Any Member that does not want to use IEX Services may use other routers to route orders to away trading centers.

(4) IEX Services will not engage in any business other than (a) its Outbound Router function, (b) its usage of an error account in compliance with paragraph (a)(8) below, and (c) any other activities it may engage in as approved by the Commission.

(5) The Exchange shall establish and maintain procedures and internal controls reasonably designed to adequately restrict the flow of confidential and proprietary information between the Exchange and its facilities (including IEX Services), and any other entity, including any affiliate of IEX Services, and, if IEX Services or any of its affiliates engages in any other business activities other than providing routing services to the Exchange, between the segment of IEX Services or its affiliate that provides the other business activities and the routing services.

(6) The Exchange or IEX Services may cancel orders as either deems to be necessary to maintain fair and orderly markets if a technical or systems issue occurs at the Exchange, IEX Services, or a routing destination. The Exchange or IEX Services shall provide notice of the cancellation to affected Members as soon as practicable.

(7) IEX Services currently routes to the following away trading centers:

Cboe BYX Exchange	(BATY)
Cboe BZX Exchange	(BATS)
Cboe EDGA Exchange	(EDGA)
Cboe EDGX Exchange	(EDGX)
Long-Term Stock Exchange	(LTSE)
MEMX LLC	(MEMX)
MIAX PEARL, LLC	(EPRL)
NASDAQ BX	(XBOS)
NASDAQ PSX	(XPHL)

NASDAQ Stock Exchange	(XNGS)
New York Stock Exchange	(XNYS)
NYSE American	(XASE)
NYSE Arca	(ARCX)
NYSE Chicago	(XCHI)
NYSE National	(XCIS)

(8) IEX Services shall maintain an error account for the purpose of addressing positions that are the result of an execution or executions that are not clearly erroneous under IEX Rule 11.270 and result from a technical or systems issue at IEX Services, the Exchange, a routing destination, or a non-affiliate third-party routing broker that affects one or more orders ("Error Positions").

(A) For purposes of this IEX Rule 2.220(a)(8), an Error Position shall not include any position that results from an order submitted by a Member to the Exchange that is executed on the Exchange and automatically processed for clearance and settlement on a locked-in basis.

(B) Except as provided in IEX Rule 2.220(a)(8)(C), IEX Services shall not (i) accept any positions in its error account from an account of a Member or (ii) permit any Member to transfer any positions from the Member's account to IEX Services' error account.

(C) If a technical or systems issue results in the Exchange not having valid clearing instructions for a Member to a trade, IEX Services may assume that Member's side of the trade so that the trade can be automatically processed for clearance and settlement on a locked-in basis.

(D) In connection with a particular technical or systems issue, IEX Services or the Exchange shall either (1) assign all resulting Error Positions to Members in accordance with subparagraph (i) below, or (2) have all resulting Error Positions liquidated in accordance with subparagraph (ii) below. Any determination to assign or liquidate Error Positions, as well as any resulting assignments, shall be made in a non-discriminatory fashion.

(i) IEX Services or the Exchange shall assign all Error Positions resulting from a particular technical or systems issue to the Members affected by that technical or systems issue if IEX Services or the Exchange:

(a) Determines that it has accurate and sufficient information (including valid clearing information) to assign the positions to all of the Members affected by that technical or systems issue;

(b) Determines that it has sufficient time pursuant to normal clearance and settlement deadlines to evaluate the information necessary to assign the positions to all of the Members affected by that technical or systems issue; and

(c) Has not determined to cancel all orders affected by that technical or systems issue in accordance with paragraph (a)(6) above.

(ii) If IEX Services or the Exchange is unable to assign all Error Positions resulting from a particular technical or systems issue to all of the affected Members in accordance with this subparagraph (D), or if IEX Services or the Exchange determines to cancel all orders affected by the technical or systems issue in accordance with paragraph (a)(6) above, then IEX Services shall liquidate any applicable Error Positions as soon as practicable. In liquidating such Error Positions, IEX Services shall:

(a) Provide complete time and price discretion for the trading to liquidate the Error Positions to a third-party broker-dealer and shall not attempt to exercise any influence or control over the timing or methods of such trading; and

(b) Establish and enforce policies and procedures that are reasonably designed to restrict the flow of confidential and proprietary information between the third-party broker-dealer and IEX Services/the Exchange associated with the liquidation of the Error Positions.

(E) IEX Services and the Exchange shall make and keep records to document all determinations to treat positions as Error Positions and all determinations for the assignment of Error Positions to Members or the liquidation of Error Positions, as well as records associated with the liquidation of Error Positions through the third-party broker-dealer.

(b) The books, records, premises, officers, agents, directors, and employees of IEX Services as a facility of the Exchange shall be deemed to be the books, records, premises, officers, agents, directors, and employees of the Exchange for purposes of, and subject to oversight pursuant to, the Act. The books and records of IEX Services as a facility of the Exchange shall be subject at all times to inspection and copying by the Exchange and the Commission. Nothing in these Rules shall preclude officers, agents, directors, or employees of the Exchange from also serving as officers, agents, directors, and employees of IEX Services.

(Amended by SR-IEX-2017-33 eff. October 17, 2017; amended by SR-IEX-2017-42 eff. November 27, 2017; amended by SR-IEX-2019-12 eff. November 15, 2019; amended by SR-IEX-2020-03 eff. February 20, 2020; amended by SR-IEX-2020-11 eff. August 12, 2020; amended by SR-IEX-2020-12 eff. August 25, 2020; amended by SR-IEX-2020-13 eff. September 3, 2020).

Rule 2.230. Retention of Jurisdiction

(a) An IEX Member whose membership is revoked, terminated or cancelled, and a person whose association thereof is revoked, terminated or cancelled, and is no longer associated with any member shall continue to be subject to the filing of a complaint under IEX rules based upon conduct which commenced prior to the effective date of the revocation or termination. Any such complaint, however, shall be filed within two years after the effective date of resignation, cancellation, termination or revocation.

(b) A person whose association with an IEX Member has been revoked, terminated or cancelled and is no longer associated with any IEX Member shall continue to be subject to the filing of a complaint under IEX rules based upon conduct that commenced prior to the termination, revocation or cancellation or upon such person's failure, while subject to IEX's jurisdiction to provide information requested by IEX pursuant to IEX rules. Any such complaint shall be filed within:

(i) two years after the effective date of termination of registration with IEX pursuant to Rule 2.160(r)(1), provided however that any amendment to a notice of termination filed pursuant to Rule 2.160(r)(2) that is filed within two

years of the original notice that discloses that such person may have engaged in conduct actionable under any applicable statute, rule, or regulation shall operate to recommence the running of the two-year period under this subsection; or

(ii) two years after the effective date of revocation or cancellation of registration pursuant to IEX rules; or in the case of an unregistered person, two years after the date upon which such person ceased to be associated with the member.

(Amended by SR-IEX-2016-22 eff. December 22, 2016).

Rule 2.240. Fidelity Bonds

(a) Each Member required to join the Securities Investor Protection Corporation who has employees and who is a Member in good standing of another self-regulatory organization shall follow the applicable fidelity bond rule of the self-regulatory organization to which it is designated by the Commission for financial responsibility pursuant to Section 17 of the Act and SEC Rule 17d-1 thereunder.

(b) A Member designated to the Exchange for oversight pursuant to SEC Rule 17d-1 shall comply with FINRA Rule 4360 as if such Rule were part of the Exchange's Rules.

(c) For purposes of this IEX Rule 2.240, references to a "member" shall be construed as references to a "Member."

(d) Pursuant to IEX Rule Series 9.600 of the IEX Rules, any Member subject to paragraph (d) of FINRA Rule 4360, through the application of paragraph (b) above, may apply to the Exchange for an exemption from such requirements. The exemption may be granted upon a showing of good cause, including a substantial change in the circumstances or nature of the Member's business that results in a lower net capital requirement. The Exchange may issue an exemption subject to any condition or limitation upon a Member's bonding coverage that is deemed necessary to protect the public and serve the purposes of this IEX Rule.

Rule 2.250. Mandatory Participation in Testing of Backup Systems

(a) Pursuant to Regulation SCI and with respect to the Exchange's business continuity and disaster recovery plans, including its backup systems, the Exchange is required to establish standards for the designation of Members that the Exchange reasonably determines are, taken as a whole, the minimum necessary for the maintenance of fair and orderly markets in the event of the activation of such plans. The Exchange has established standards and will designate Members according to those standards as set forth below. All Members are permitted to connect to the Exchange's backup systems, pursuant to IEX Rule 11.510, and to participate in testing of such systems.

(b) Members that have been determined by the Exchange to contribute a meaningful percentage of the Exchange's overall volume are required to connect to the Exchange's backup systems and participate in functional and performance testing as announced by the Exchange, which shall occur at least once every 12 months.

(c) For purposes of identifying Members that account for a meaningful percentage of the Exchange's overall volume, the Exchange will measure volume executed on the Exchange on a quarterly basis. The percentage of volume that the Exchange considers to be meaningful for purposes of this IEX Rule 2.250 will be determined by the Exchange and will be published in a circular distributed to Members. The Exchange will also individually notify all Members quarterly that are subject to paragraph (b) of this IEX Rule 2.250 based on the prior calendar quarter's volume. If a Member

has not previously been subject to the requirements of paragraph (b) of this IEX Rule 2.250, such Member will have until the next calendar quarter before such requirements are applicable.

CHAPTER 3. RULES OF FAIR PRACTICE

Rule 3.110. Business Conduct of Members

(a) A Member, in the conduct of its business, shall observe high standards of commercial honor and just and equitable principles of trade.

Rule 3.120. Violations Prohibited

(a) No Member shall engage in conduct in violation of the Act, the rules or regulations thereunder, the Operating Agreement, IEX Rules, or any policy or written interpretation of the Operating Agreement or IEX Rules by the Board or an appropriate Board committee. Every Member shall so supervise persons associated with the Member as to assure compliance with those requirements.

Rule 3.130. Use of Fraudulent Devices

(a) No Member shall effect any transaction in, or induce the purchase or sale of, any security by means of any manipulative, deceptive, or other fraudulent device or contrivance.

Rule 3.140. False Statements

No Member or applicant for membership, or person associated with a Member or applicant for membership, shall make any false statements or misrepresentations in any application, report or other communication to the Exchange. No Member or person associated with a Member shall make any false statement or misrepresentation to any Exchange committee, officer, the Board or any designated self-regulatory organization in connection with any matter within the jurisdiction of the Exchange.

Rule 3.150. Know Your Customer

IEX Members shall comply with FINRA Rule 2090 as if such rule were part of the Exchange's Rules.

Rule 3.160. Fair Dealing with Customers

All Members have a fundamental responsibility for fair dealing with their customers. Members who handle customer orders on the Exchange shall establish and enforce objective standards to ensure queuing and executing of customer orders in a fair and equitable manner. Practices that do not represent fair dealing include, but are not limited to, the following:

(a) Recommending speculative securities to customers without knowledge of or an attempt to obtain information concerning the customers' other securities holdings, their financial situation, and other necessary data. This prohibition has particular application to high pressure telephonic sales campaigns;

(b) Excessive activity in customer accounts (churning or overtrading) in relation to the objectives and financial situation of the customer;

(c) Establishment of fictitious accounts in order to execute transactions which otherwise would be prohibited or which are contrary to the Member's policies;

(d) Causing the execution of transactions which are unauthorized by customers or the sending of confirmations in order to cause customers to accept transactions not actually agreed upon;

(e) Unauthorized use or borrowing of customer funds or securities; and

(f) Recommending the purchase of securities or the continuing purchase of securities in amounts which are inconsistent with the reasonable expectation that the customer has the financial ability to meet such a commitment.

Rule 3.170. Suitability

(a) IEX Members and associated persons of a Member shall comply with FINRA Rule 2111 as if such Rule were part of the Exchange's Rules.

(b) For purposes of this IEX Rule:

(1) References to FINRA Rules 2111 and 4512 shall be construed as references to IEX Rules 3.170 and 4.512, respectively;

(2) References to "FINRA's rules" shall be construed as references to "IEX Rules"; and

(3) References to FINRA Rule 2214 shall be disregarded, and no comparable IEX Rule shall apply to activities of IEX Members in connection with investment analysis tools.

Rule 3.180. The Prompt Receipt and Delivery of Securities

(a) Purchases. No Member may accept a customer's purchase order for any security until it has first ascertained that the customer placing the order or its agent agrees to receive securities against payment in an amount equal to any execution, even though such an execution may represent the purchase of only a part of a larger order.

(b) Sales. No Member shall execute a sale order for any customer or for its own account in any security unless such sale complies with the applicable provisions of the Act, including Regulation SHO.

Rule 3.190. Charges for Services Performed

Charges, if any, for services performed, including, but not limited to, miscellaneous services such as collection of monies due for principal, dividends, or interest; exchange or transfer of securities; appraisals, safe-keeping or custody of securities, and other services shall be reasonable and not unfairly discriminatory among customers.

Rule Series 3.200. Information and Disclosure Rules

Rule 3.200. Use of Information Obtained in Fiduciary Capacity

A Member who in the capacity of paying agent, transfer agent, trustee, or in any other similar capacity, has received information as to the ownership of securities, shall under no circumstances make use of such information for the purpose of soliciting purchases, sales or exchanges except at the request and on behalf of the issuer.

Rule 3.210. Publication of Transactions and Quotations

No Member shall publish or circulate, or cause to be published or circulated, any notice, circular, advertisement, newspaper article, investment service, or communication of any kind which purports to report any transaction as a purchase or sale of any security unless such Member believes that such transaction was a bona fide purchase or sale of such security; or which purports to quote the bid price or asked price for any security, unless such Member believes that such quotation represents a bona fide bid for, or offer of, such security.

Rule 3.220. Offers at Stated Prices

No Member shall make an offer to buy from or sell to any person any security at a stated price unless such Member is prepared to purchase or sell, as the case may be, at such price and under such conditions as are stated at the time of such offer to buy or sell.

Rule 3.230. Payments Involving Publications that Influence the Market Price of a Security

(a) Except as provided in paragraph (b), no Member shall directly or indirectly, give, permit to be given, or offer to give anything of value to any person, or intimidate any person for the purpose of influencing or rewarding the action of such person in connection with the publication or circulation in any electronic or other public media, including any investment service or similar publication, Web site, newspaper, magazine or other periodical, radio, or television program of any matter which has, or is intended to have, an effect upon the market price of any security;

(b) The prohibitions in paragraph (a) shall not apply to compensation paid to a person in connection with the publication or circulation of:

(1) a communication that is clearly distinguishable as paid advertising;

(2) a communication that discloses the receipt of compensation and the amount thereof in accordance with Section 17(b) of the Securities Act; or

(3) a research report, as that term is defined in NASD Rule 2711.

FINRA is in the process of consolidating certain NASD rules into a new FINRA rulebook. If the provisions of NASD Rule 2711 are transferred into the FINRA rulebook, then IEX Rule 3.230 shall be construed to require Exchange members to comply with the FINRA rule corresponding to NASD Rule 2711 (regardless of whether such rule is renumbered or amended) as if such rule were part of the Exchange's Rules.

Rule 3.240. Customer Confirmations

A Member, at or before the completion of each transaction with a customer, shall give or send to such customer such written notification or confirmation of the transaction as is required by Commission Rule 10b-10.

Rule 3.250. Disclosure of Control Relationship with Issuer

A Member controlled by, controlling, or under common control with, the issuer of any security, shall, before entering into any contract with or for a customer for the purchase or sale of such security, disclose to such customer the existence of such control, and if such disclosure is not made in writing, it shall be supplemented by the giving or sending of written disclosure at or before the completion of the transaction.

Rule 3.260. Discretionary Accounts

(a) Excessive Transactions

No Member shall effect with or for any customer's account in respect to which such Member or its agent or employee is vested with any discretionary power any transactions of purchase or sale which are excessive in size or frequency in view of the financial resources and character of such account.

(b) Authorization and Acceptance of Account

No Member or Registered Representative shall exercise any discretionary power in a customer's account unless such customer has given prior written authorization to a stated individual or individuals and the account has been accepted by the Member, as evidenced in writing by the Member or the partner, officer or manager, duly designated by the Member, in accordance with IEX Rule 5.110.

(c) Approval and Review of Transactions

The Member or the person duly designated shall approve promptly in writing each discretionary order entered and shall review all discretionary accounts at frequent intervals in order to detect and prevent transactions which are excessive in size or frequency in view of the financial resources and character of the account.

(d) Exceptions

This IEX Rule shall not apply to:

(1) discretion as to the price at which or the time when an order given by a customer for the purchase or sale of a definite amount of a specified security shall be executed, except that the authority to exercise time and price discretion will be considered to be in effect only until the end of the business day on which the customer granted such discretion, absent a specific, written contrary indication signed and dated by the customer. This limitation shall not apply to time and price discretion exercised in an institutional account, as defined in IEX Rule 5.110 pursuant to valid Good-Till-Canceled instructions issued on a "not-held" basis. Any exercise of time and price discretion must be reflected on the order ticket;

(2) bulk exchanges at net asset value of money market mutual funds ("funds") utilizing negative response letters provided:

(A) The bulk exchange is limited to situations involving mergers and acquisitions of funds, changes of clearing members and exchanges of funds used in sweep accounts:

(B) The negative response letter contains a tabular comparison of the nature and amount of the fees charged by each fund;

(C) The negative response letter contains a comparative description of the investment objectives of each fund and a prospectus of the fund to be purchased; and

(D) The negative response feature will not be activated until at least 30 days after the date on which the letter was mailed.

(Amended by SR-IEX-2016-12 eff. August 11, 2016).

Rule 3.270. Improper Use of Customers' Securities or Funds; Prohibition Against Guarantees and Sharing in Accounts

(a) Improper Use

No Member or person associated with a Member shall make improper use of a customer's securities or funds.

(b) Prohibition Against Guarantees

No Member or person associated with a Member shall guarantee a customer against loss in connection with any securities transaction or in any securities account of such customer.

(c) Sharing in Accounts; Extent Permissible

(1) (A) Except as provided in paragraph (c)(2), no Member or person associated with a Member shall share directly or indirectly in the profits or losses in any account of a customer carried by the Member or any other Member; provided, however, that a Member or person associated with a Member may share in the profits or losses in such an account if:

(i) such person associated with a Member obtains prior written authorization from the Member employing the associated person;

(ii) such Member or person associated with a Member obtains prior written authorization from the customer; and

(iii) such Member or person associated with a Member shares in the profits or losses in any account of such customer only in direct proportion to the financial contributions made to such account by either the Member or person associated with a Member.

(B) Exempt from the direct proportionate share limitation of paragraph (c)(1)(A)(iii) are accounts of the immediate family of such Member or person associated with a Member. For purposes of this IEX Rule, the term "immediate family" shall include parents, mother-in-law or father-in-law, husband or wife, children. or any relative to whose support the Member or person associated with a Member otherwise contributes directly or indirectly.

(2) Notwithstanding the prohibition of paragraph (c)(1), a Member or person associated with a Member that is acting as an investment adviser may receive compensation based on a share in profits or gains in an account if:

(A) such person associated with a Member seeking such compensation obtains prior written authorization from the Member employing the associated person;

(B) such Member or person associated with a Member seeking such compensation obtains prior written authorization from the customer; and

(C) all of the conditions in Rule 205-3 of the Investment Advisers Act (as the same may be amended from time to time) are satisfied.

Rule 3.280. Communications with Customers and the Public

Exchange Members and persons associated with a Member shall comply with FINRA Rule 2210 (except FINRA Rule 2210(c)) as if such FINRA Rule were part of the Exchange's Rule. The Exchange and FINRA are parties to the Regulatory Contract pursuant to which FINRA has agreed to perform certain functions on behalf of the Exchange. Therefore, Exchange Members are complying with this IEX Rule 3.280 by complying with FINRA Rule 2210 as written. In addition, functions performed by FINRA, FINRA departments, and FINRA staff under this IEX Rule 3.280 are being performed by FINRA on the Exchange's behalf.

Rule 3.290. Customer Disclosures

No member may accept an order from a customer for execution in the Pre-Market Session or Post-Market Session without disclosing to such customer that extended hours trading involves material trading risks, including the possibility of lower liquidity, high volatility, changing prices, unlinked markets, an exaggerated effect from news announcements, wider spreads, and any other relevant risk. The absence of an updated underlying index value or intraday indicative value is an additional trading risk in extended hours for Derivative Securities Products.

The disclosures required pursuant to this IEX Rule may take the following form or such other form as provides substantially similar information:

(a) Risk of Lower Liquidity. Liquidity refers to the ability of market participants to buy and sell securities. Generally, the more orders that are available in a market, the greater the liquidity. Liquidity is important because with greater liquidity it is easier for investors to buy or sell securities, and as a result, investors are more likely to pay or receive a competitive price for securities purchased or sold. There may be lower liquidity in extended hours trading as compared to regular market hours. As a result, your order may only be partially executed, or not at all.

(b) Risk of Higher Volatility. Volatility refers to the changes in price that securities undergo when trading. Generally, the higher the volatility of a security, the greater its price swings. There may be greater volatility in extended hours trading than in regular market hours. As a result, your order may only be partially executed, or not at all, or you may receive an inferior price in extended hours trading than you would during regular market hours.

(c) Risk of Changing Prices. The prices of securities traded in extended hours trading may not reflect the prices either at the end of regular market hours, or upon the opening of the next morning. As a result, you may receive an inferior price in extended hours trading than you would during regular market hours.

(d) Risk of Unlinked Markets. Depending on the extended hours trading system or the time of day, the prices displayed on a particular extended hours system may not reflect the prices in other concurrently operating extended hours trading systems dealing in the same securities. Accordingly, you may receive an inferior price in one extended hours trading system than you would in another extended hours trading system.

(e) Risk of News Announcements. Normally, issuers make news announcements that may affect the price of their securities after regular market hours. Similarly, important financial information is frequently announced outside of regular market hours. In extended hours trading, these announcements may occur during trading, and if combined with lower liquidity and higher volatility, may cause an exaggerated and unsustainable effect on the price of a security.

(f) Risk of Wider Spreads. The spread refers to the difference in price between what you can buy a security for and what you can sell it for. Lower liquidity and higher volatility in extended hours trading may result in wider than normal spreads for a particular security.

(g) Risk of Lack of Calculation or Dissemination of Underlying Index Value or Intraday Indicative Value ("IIV"). For certain Derivative Securities Products, an updated underlying index value or IIV may not be calculated or publicly disseminated in extended system hours. Since the underlying index value and IIV are not calculated or widely disseminated during the Pre-Market Session and Post-Market Session an investor who is unable to calculate implied values for certain Derivative Securities Products in those sessions may be at a disadvantage to market professionals.

Rule 3.291. Influencing or Rewarding Employees of Others; Gratuities

(a) No Member or person associated with a Member shall, directly or indirectly, give or permit to be given anything of value, including gratuities, in excess of one hundred dollars per individual per year to any person, principal, proprietor, employee, agent, or representative of another person where such payment or gratuity is in relation to the business of the employer of the recipient of the payment or gratuity. A gift of any kind is considered a gratuity.

(b) This IEX Rule shall not apply to contracts of employment with or to compensation for services rendered by persons enumerated in paragraph (a) provided that there is in existence prior to the time of employment or before the services are rendered, a written agreement between the Member and the person who is to be employed to perform such services. Such agreement shall include the nature of the proposed employment, the amount of the proposed compensation, and the written consent of such person's employer or principal.

(c) A separate record of all payments or gratuities in any amount known to the Member, the employment agreement referred to in paragraph (b) and any employment compensation paid as a result thereof shall be retained by the Member for the period specified by Rule 17a-4 of the Act.

Rule 3.292. Telemarketing

IEX members and persons associated with a member shall comply with FINRA Rule 3230 as if such Rule were part of IEX Rules.

Rule 3.293. Short-Interest Reporting

To the extent such information is not otherwise reported to FINRA in conformance with FINRA Rule 4560, IEX Members shall comply with FINRA Rule 4560, with respect to securities listed on IEX, as if such rule were part of IEX's rules. Information required to be reported pursuant to this Rule shall be reported to IEX in the form and manner specified by IEX.

(Adopted by SR-IEX-2017-39 eff. November 13, 2017).

CHAPTER 4. FINANCIAL AND OPERATIONAL RULES

Rule Series 4.100. FINANCIAL CONDITION

Rule 4.110. Capital Compliance

(a) A member designated to IEX for oversight pursuant to SEC Rule 17d-1 shall comply with FINRA Rule 4110 as if such Rule were part of the Exchange's Rules.

(b) For purposes of this IEX Rule, references to FINRA Rule 9557 shall be construed as references to IEX Rule 9.557. References to FINRA shall be construed as references to IEX. References to FINRA's Executive Vice President charged with oversight for financial responsibility shall be construed as a reference to the IEX CRO.

Rule 4.120. Regulatory Notification and Business Curtailment

(a) A Member designated to IEX for oversight pursuant to SEC Rule 17d-1 shall comply with FINRA Rule 4120 as if such Rule were part of the Exchange's Rules.

(b) For purposes of this IEX Rule, references to FINRA Rule 9557 shall be construed as references to IEX Rule 9.557. References to FINRA Rule 4210 shall be construed as references to IEX Rule 4.210. References to FINRA shall be construed as references to IEX.

Rule 4.130. Reserved.

Rule 4.140. Audit

(a) A Member designated to IEX for oversight pursuant to SEC Rule 17d-1 shall comply with FINRA Rule 4140 as if such Rule were part of IEX Rules.

(b) For purposes of this IEX Rule, references to FINRA shall be construed as references to IEX. References to FINRA's Executive Vice President charged with oversight for financial responsibility shall be construed as a reference to the IEX CRO.

Rule Series 4.200. MARGIN

Rule 4.210. Prohibitions and Exemptions

(a) A Member shall not effect a securities transaction through Exchange facilities in a manner contrary to the regulations of the Board of Governors of the Federal Reserve System.

(b) The margin which must be maintained in margin accounts of customers shall be as follows:

(1) 25% of the current market value of all securities "long" in the account;

(2) $2.50 per share or 100% of the current market value, whichever amount is greater, of each stock "short" in the account selling at less than $5.00 per share;

(3) $5.00 per share or 30% of the current market value, whichever amount is greater, of each stock "short" in the account selling at $5.00 per share or above; and

(4) 5% of the principal amount or 30% of the current market value, whichever amount is greater, of each bond "short" in the account.

Rule 4.220. Day Trading Margin

(a) The term "day trading" means the purchasing and selling of the same security on the same day. A "day trader" is any customer whose trading shows a pattern of day trading.

(b) Whenever day trading occurs in a customer's margin account the margin to be maintained shall be the margin on the "long" or "short" transaction, whichever occurred first, as required pursuant to IEX Rule 4.210(b). When day trading occurs in the account of a day trader, the margin to be maintained shall be the margin on the "long" or "short" transaction, whichever occurred first, as required for initial margin by Regulation T of the Board of Governors of the Federal Reserve System, or as required pursuant to IEX Rule 4.210(b), whichever amount is greater.

(c) No Member shall permit a public customer to make a practice, directly or indirectly, of effecting transactions in a cash account where the cost of securities purchased is met by the sale of the same securities. No Member shall permit a public customer to make a practice of selling securities in a cash account which are to be received against payment from another registered broker or dealer where such securities were purchased and are not yet paid for.

Rule Series 4.300. RESERVED.

Rule Series 4.400. RESERVED.

Rule Series 4.500. BOOKS, RECORDS AND REPORTS

Rule 4.511. General Requirements

IEX Members and persons associated with a member shall comply with FINRA Rule 4511 as if such rule were part of the Exchange's Rules. For purposes of this IEX Rule, references to "FINRA rules" shall be construed as references to "IEX rules" and references to "FINRA books and records" shall be construed as references to "IEX books and records."

Rule 4.512. Customer Account Information

(a) IEX Members and persons associated with a member shall comply with FINRA Rule 4512 as if such rule were part of IEX's rules.

(b) For purposes of this IEX Rule:

(1) References to NASD Rule 2510 (or any successor FINRA rule) shall be construed as references to IEX Rule 3.260;

(2) References to Rules 2070, 2090, and 4512 shall be construed as references to IEX Rules 6.180, 3.150, and 4.512;

(3) References to "a prior FINRA rule" shall be construed as references to "a FINRA rule in effect prior to the effectiveness of FINRA Rule 4512";

(4) IEX and FINRA are parties to a Regulatory Contract pursuant to which FINRA has agreed to perform certain functions on behalf of IEX. Therefore, IEX Members are complying with IEX Rule 4.512 by complying with FINRA Rule 4512 as written, including, for example, providing information required by FINRA staff. In addition, functions performed by FINRA, FINRA departments and FINRA staff under IEX Rule 4.512 are being performed by FINRA on behalf of IEX.

Rule 4.513. Record of Written Customer Complaints

IEX Members and persons associated with a Member shall comply with FINRA Rule 4513 as if such rule were part of IEX's rules.

Rule 4.540. Furnishing of Records

Every Member shall furnish to the Exchange, upon request and in a time and manner required by the Exchange, current copies of any financial information filed with the Commission, as well as any records, files, or financial information pertaining to transactions executed on or through the Exchange or transactions in the same security executed on venues other than the Exchange or derivatives of such securities. Further, the Exchange shall be allowed access, at any time, to the books and records of the Member in order to obtain or verify information related to transactions executed on or through the Exchange or activities relating to the Exchange.

(a) Member Response Time to Exchange Requests

Consistent with the responsibility of the Exchange and the Commission to provide for timely regulatory investigations, the Exchange has adopted the following general time parameters within which Members are required to respond to Exchange requests for trading data:

(1) 1st Request: 10 business days

(2) 2nd Request: 5 business days

(3) 3rd Request: 5 business days

The third request letter will be sent to the Member's compliance officer and/or senior officer. Notwithstanding the parameters listed above, the Exchange reserves the right, in its sole discretion, to require information to be provided more quickly than described above.

(b) Regulatory Data Submission Requirement

Members shall submit to the Exchange such Exchange-related order, market and transaction data as the Exchange by Information Circular may specify, in such form and on such schedule as the Exchange may require.

Rule 4.550. Disclosure of Financial Condition

(a) A Member shall make available to inspection by any bona fide regular customer, upon request, the information relative to such Member's financial condition as disclosed in its most recent balance sheet prepared either in accordance with such Member's usual practice or as required by any state or federal securities laws, or any rule or regulation thereunder. In lieu of making such balance sheet available to inspection, a Member may deliver the balance sheet to the requesting bona fide regular customer in paper or electronic form; provided that, with respect to electronic delivery, the customer must consent to receive the balance sheet in electronic form.

(b) Any Member who is a party to an open transaction or who has on deposit cash or securities of another Member shall deliver upon written request of the other Member, in paper or electronic form, a statement of its financial condition as disclosed in its most recent balance sheet prepared either in accordance with such Member's usual practice or as required by any state or federal securities laws, or any rule or regulation thereunder.

(c) As used in paragraph (a) of this IEX Rule 4.550, the term "customer" means any person who, in the regular course of such Member's business, has cash or securities in the possession of such Member.

CHAPTER 5. SUPERVISION

Rule 5.110. Supervision

(a) Supervisory System

Each Member shall establish and maintain a system to supervise the activities of each associated person that is reasonably designed to achieve compliance with applicable securities laws and regulations, and with applicable IEX Rules. Final responsibility for proper supervision shall rest with the Member. A Member's supervisory system shall provide, at a minimum, for the following:

(1) The establishment and maintenance of written procedures as required by this IEX Rule 5.110.

(2) The designation, where applicable, of an appropriately registered principal(s) with authority to carry out the supervisory responsibilities of the Member for each type of business in which it engages for which registration as a broker-dealer is required.

(3) The registration and designation as a branch office or an office of supervisory jurisdiction (OSJ) of each location, including the main office, that meets the definitions contained in paragraph (e) of this IEX Rule 5.110.

(4) The designation of one or more appropriately registered principals in each OSJ and one or more appropriately registered representatives or principals in each non-OSJ branch office with authority to carry out the supervisory responsibilities assigned to that office by the Member.

(5) The assignment of each registered person to an appropriately Registered Representative(s) or principal(s) who shall be responsible for supervising that person's activities.

(6) The use of reasonable efforts to determine that all supervisory personnel are qualified, either by virtue of experience or training, to carry out their assigned responsibilities.

(7) The participation of each Registered Representative and Registered Principal, either individually or collectively, no less than annually, in an interview or meeting conducted by persons designated by the Member at which compliance matters relevant to the activities of the representative(s) and principal(s) are discussed. Such interview or meeting may occur in conjunction with the discussion of other matters and may be conducted at a central or regional location or at the representative's(') or principal's(') place of business.

(b) Written Procedures

(1) General Requirements

Each Member shall establish, maintain, and enforce written procedures to supervise the types of business in which it engages and the activities of its associated persons that are reasonably designed to achieve compliance with applicable securities laws and regulations, and with applicable IEX Rules.

(2) Review of Member's Investment Banking and Securities Business

The supervisory procedures required by this paragraph (b) shall include procedures for the review by a Registered Principal, evidenced in writing, of all transactions relating to the investment banking or securities business of the Member.

(3) Reserved

(4) Review of Correspondence and Internal Communications

The supervisory procedures required by this paragraph (b) shall include procedures for the review of incoming and outgoing written (including electronic) correspondence and internal communications relating to the Member's investment banking or securities business. The supervisory procedures must be appropriate for the Member's business, size, structure, and customers. The supervisory procedures must require the Member's review of:

(A) incoming and outgoing written (including electronic) correspondence to properly identify and handle in accordance with firm procedures, customer complaints, instructions, funds and securities, and communications that are of a subject matter that require review under IEX Rules and federal securities laws.

(B) internal communications to properly identify those communications that are of a subject matter that require review under IEX Rules and federal securities laws.

Reviews of correspondence and internal communications must be conducted by a Registered Principal and must be evidenced in writing, either electronically or on paper.

(5) Review of Customer Complaints

The supervisory procedures required by this paragraph (b) shall include procedures to capture, acknowledge, and respond to all written (including electronic) customer complaints.

(6) Documentation and Supervision of Supervisory Personnel

The supervisory procedures required by this paragraph (b) shall set forth the supervisory system established by the Member pursuant to paragraph (a) above, and shall include:

(A) the titles, registration status, and locations of the required supervisory personnel and the responsibilities of each supervisory person as these relate to the types of business engaged in, applicable securities laws and regulations, and IEX Rules.

(B) a record, preserved by the Member for a period of not less than three years, the first two years in an easily accessible place, of the names of all persons who are designated as supervisory personnel and the dates for which such designation is or was effective.

(C) procedures prohibiting associated persons who perform a supervisory function from:

(i) supervising their own activities; and

(ii) reporting to, or having their compensation or continued employment determined by, a person or persons they are supervising.

(a) If a Member determines, with respect to any of its supervisory personnel, that compliance with subparagraph (i) or (ii) above is not possible because of the Member's size or a supervisory personnel's position within the firm, the Member must document:

(1) the factors the Member used to reach such determination; and

(2) how the supervisory arrangement with respect to such supervisory personnel otherwise complies with paragraph (a) of this IEX Rule 5.110.

(D) procedures reasonably designed to prevent the supervisory system required pursuant to paragraph (a) of this IEX Rule 5.110 from being compromised due to the conflicts of interest that may be present with respect to the associated person being supervised, including the position of such person, the revenue such person generates for the firm, or any compensation that the associated person conducting the supervision may derive from the associated person being supervised.

(7) Maintenance of Written Supervisory Procedures

A copy of a Member's written supervisory procedures, or the relevant portions thereof, shall be kept and maintained in each OSJ and at each location where supervisory activities are conducted on behalf of the Member. Each Member shall promptly amend its written supervisory procedures to reflect changes in applicable securities laws or regulations, including IEX Rules, and as changes occur in its supervisory system. Each Member is responsible for promptly communicating its written supervisory procedures and amendments to all associated persons to whom such written supervisory procedures and amendments are relevant based on their activities and responsibilities.

(c) Internal Inspections

(1) Each Member shall conduct a review, at least annually (on a calendar-year basis), of the businesses in which it engages. The review shall be reasonably designed to assist the Member in detecting and preventing violations of, and achieving compliance with, applicable securities laws and regulations, and with applicable IEX Rules. Each Member shall review the activities of each office, which shall include the periodic examination of customer accounts to detect and prevent irregularities or abuses. Each Member shall also retain a written record of the date upon which each review and inspection is conducted.

(A) Each Member shall inspect at least annually (on a calendar-year basis) every OSJ and any branch office that supervises one or more non-branch locations.

(B) Each Member shall inspect at least every three years every branch office that does not supervise one or more non-branch locations. In establishing how often to inspect each non-supervisory branch office, the Member shall consider whether the nature and complexity of the securities activities for which the location is responsible, the volume of business done at the location, and the number of associated persons assigned to the location require the non-supervisory branch office to be inspected more frequently than every three years. If a Member establishes a more frequent inspection cycle, the Member must ensure that

at least every three years, the inspection requirements enumerated in paragraph (c)(2) have been met. The Member's written supervisory and inspection procedures shall set forth the non-supervisory branch office examination cycle, an explanation of the factors the Member used in determining the frequency of the examinations in the cycle, and the manner in which a Member will comply with paragraph (c)(2) if using more frequent inspections than every three years.

(C) Each Member shall inspect on a regular periodic schedule every non-branch location. In establishing such schedule, the Member shall consider the nature and complexity of the securities activities for which the location is responsible and the nature and extent of contact with customers. The Member's written supervisory and inspection procedures shall set forth the schedule and an explanation regarding how the Member determined the frequency of the examination.

(2) An inspection and review by a Member pursuant to paragraph (c)(1) must be reduced to a written report and kept on file by the Member for a minimum of three years, unless the inspection is being conducted pursuant to paragraph (c)(1)(C) and the regular periodic schedule is longer than a three-year cycle, in which case the report must be kept on file at least until the next inspection report has been written.

(A) If applicable to the location being inspected, that location's written inspection report must include, without limitation, the testing and verification of the Member's policies and procedures, including supervisory policies and procedures in the following areas:

(i) safeguarding of customer funds and securities;

(ii) maintaining books and records;

(iii) supervision of supervisory personnel;

(iv) transmittals of funds (e.g., wires or checks, etc.) or securities from customers to third party accounts; from customer accounts to outside entities (e.g., banks, investment companies, etc.); from customer accounts to locations other than a customer's primary residence (e.g., post office box, "in care of" accounts, alternate address, etc.); and between customers and registered representatives, including the hand-delivery of checks; and

(v) changes of customer account information, including address and investment objectives changes and validation of such changes.

(B) The policies and procedures required by paragraph (c)(2)(A)(iv) must include a means or method of customer confirmation, notification, or follow-up that can be documented. Members may use reasonable risk-based criteria to determine the authenticity of the transmittal instructions.

(C) The policies and procedures required by paragraph (c)(2)(A)(v) must include, for each change processed, a means or method of customer confirmation, notification, or follow-up that can be documented and that complies with Rules 17a-3(a)(17)(i)(B)(2) and 17a-3(a)(17)(i)(B)(3) of the Act.

(D) If a Member does not engage in all of the activities enumerated in paragraphs (c)(2)(A)(i) through (v) at the location being inspected, the Member must identify those activities in the Member's written supervisory procedures or the location's written inspection report and document in the Member's written

supervisory procedures or the location's written inspection report that supervisory policies and procedures for such activities must be in place at that location before the Member can engage in them.

(3) For each inspection conducted pursuant to paragraph (c), a Member must:

(A) have procedures reasonably designed to prevent the effectiveness of the inspections required pursuant to paragraph (c)(1) of this IEX Rule 5.110 from being compromised due to the conflicts of interest that may be present with respect to the location being inspected, including but not limited to, economic, commercial, or financial interests in the associated persons and businesses being inspected; and

(B) ensure that the person conducting an inspection pursuant to paragraph (c)(1) is not an associated person assigned to the location or is not directly or indirectly supervised by, or otherwise reporting to, an associated person assigned to the location.

(C) If a Member determines that compliance with paragraph (c)(3)(B) is not possible either because of a Member's size or its business model, the Member must document in the inspection report both the factors the Member used to make its determination and how the inspection otherwise complies with paragraph (c)(1).

(d) Transaction Review and Investigation

(1) Each Member shall include in its supervisory procedures a process for the review of securities transactions that are reasonably designed to identify trades that may violate the provisions of the Exchange Act, the rules thereunder, or IEX Rules prohibiting insider trading and manipulative and deceptive device that are effected for the:

(A) accounts of the Member;

(B) accounts introduced or carried by the Member in which a person associated with the Member has a beneficial interest or the authority to make investment decisions;

(C) accounts of a person associated with the Member that are disclosed to the Member pursuant to IEX Rule 5.170, as applicable; and

(D) covered accounts.

(2) Each Member must conduct promptly an internal investigation into any such trade to determine whether a violation of those laws or rules has occurred.

(3) A Member engaging in investment banking services must file with IEX, written reports, signed by a senior officer of the Member, at such times and, without limitation, including such content, as follows:

(A) within ten business days of the end of each calendar quarter, a written report describing each internal investigation initiated in the previous calendar quarter pursuant to paragraph (d)(2), including the identity of the Member, the date each internal investigation commenced, the status of each open internal investigation, the resolution of any internal investigation reached during the previous calendar quarter, and, with respect to each internal investigation, the identity of the security, trades, accounts, associated

persons of the Member, or associated person of the Member's family members holding a covered account, under review, and that includes a copy of the Member's policies and procedures required by paragraph (d)(1).

(B) within five business days of completion of an internal investigation pursuant to paragraph (d)(2) in which it was determined that a violation of the provisions of the Exchange Act, the rules thereunder, or IEX Rules prohibiting insider trading and manipulative and deceptive devices had occurred, a written report detailing the completion of the investigation, including the results of the investigation, any internal disciplinary action taken, and any referral of the matter to another self-regulatory organization, the SEC, or any other federal, state, or international regulatory authority.

(4) Definitions

For purposes of this IEX Rule:

(A) The term "covered account" shall include any account introduced or carried by the Member that is held by:

(i) the spouse of a person associated with the Member;

(ii) a child of the person associated with the Member or such person's spouse, provided that the child resides in the same household as or is financially dependent upon the person associated with the Member;

(iii) any other related individual over whose account the person associated with the Member has control; or

(iv) any other individual over whose account the associated person of the Member has control and to whose financial support such person materially contributes.

(B) The term "investment banking services" shall include, without limitation, acting as an underwriter, participating in a selling group in an offering for the issuer, or otherwise acting in furtherance of a public offering of the issuer; acting as a financial adviser in a merger or acquisition; providing venture capital or equity lines of credit or serving as placement agent for the issuer or otherwise acting in furtherance of a private offering of the issuer.

(e) Responsibility of Member to Investigate Applicants for Registration

Each member shall ascertain by investigation the good character, business reputation, qualifications and experience of an applicant before the member applies to register that applicant with IEX and before making a representation to that effect on the application for registration.

If the applicant previously has been registered with IEX or another self-regulatory organization, the member shall review a copy of the applicant's most recent Form U5, including any amendments thereto, within 60 days of the filing date of an application for registration, or demonstrate to IEX that it has made reasonable efforts to do so. In conducting its review of the Form U5, the member shall take such action as may be deemed appropriate.

The member shall also review an applicant's employment experience to determine if the applicant has been recently employed by a Futures Commission Merchant or an Introducing Broker that is notice-registered with the SEC pursuant to Section 15(b)(11) of the Exchange Act. In such a case, the member shall also review a copy of the applicant's most recent CFTC Form 8-T, including any amendments thereto, within 60 days of the filing date of an application for registration, or demonstrate to IEX that it has made reasonable efforts to do so. In conducting its review of a Form 8-T, the member shall take such action as may be deemed appropriate.

In addition, each member shall establish and implement written procedures reasonably designed to verify the accuracy and completeness of the information contained in an applicant's initial or transfer Form U4 no later than 30 calendar days after the form is filed with IEX. Such procedures shall, at a minimum, provide for a search of reasonably available public records to be conducted by the member, or a third-party service provider, to verify the accuracy and completeness of the information contained in the applicant's Form U4.

(f) Definitions

(1) "Office of Supervisory Jurisdiction" or "OSJ" means any office of a Member at which any one or more of the following functions take place:

(A) order execution or market making;

(B) structuring of public offerings or private placements;

(C) maintaining custody of customers' funds or securities;

(D) final acceptance (approval) of new accounts on behalf of the Member;

(E) review and endorsement of customer orders, pursuant to paragraph (b)(2) above;

(F) final approval of retail communications for use by persons associated with the Member, pursuant to IEX Rule 3.280, except for an office that solely conducts final approval of research reports; or

(G) responsibility for supervising the activities of persons associated with the Member at one or more other branch offices of the Member.

(2) A "branch office" is any location where one or more associated persons of a Member regularly conducts the business of effecting any transactions in, or inducing or attempting to induce the purchase or sale of, any security, or is held out as such, excluding:

(A) Any location that is established solely for customer service or back office type functions where no sales activities are conducted and that is not held out to the public as a branch office;

(B) Any location that is the associated person's primary residence; provided that

(i) Only one associated person, or multiple associated persons who reside at that location and are members of the same immediate family, conduct business at the location;

(ii) The location is not held out to the public as an office and the associated person does not meet with customers at the location;

(iii) Neither customer funds nor securities are handled at that location;

(iv) The associated person is assigned to a designated branch office, and such designated branch office is reflected on all business cards, stationery, retail communications and other communications to the public by such associated person;

(v) The associated person's correspondence and communications with the public are subject to the firm's supervision in accordance with this IEX Rule 5.110;

(vi) Electronic communications (e.g., e-mail) are made through the Member's electronic system;

(vii) All orders are entered through the designated branch office or an electronic system established by the Member that is reviewable at the branch office;

(viii) Written supervisory procedures pertaining to supervision of sales activities conducted at the residence are maintained by the Member; and

(ix) A list of the residence locations is maintained by the Member;

(C) Any location, other than a primary residence, that is used for securities business for less than 30 business days in any one calendar year, provided the Member complies with the provisions of subparagraphs (2)(B)(i) through (ix) above;

(D) Any office of convenience, where associated persons occasionally and exclusively by appointment meet with customers, which is not held out to the public as an office; *

(E) Any location that is used primarily to engage in non-securities activities and from which the associated person(s) effects no more than 25 securities transactions in any one calendar year; provided that any retail communication identifying such location also sets forth the address and telephone number of the location from which the associated person(s) conducting business at the non-branch locations are directly supervised;

(F) The Floor of a registered national securities exchange where a Member conducts a direct access business with public customers; or

(G) A temporary location established in response to the implementation of a business continuity plan.

(4) Notwithstanding the exclusions in subparagraph (2), any location that is responsible for supervising the activities of persons associated with the Member at one or more non-branch locations of the Member is considered to be a branch office.

(5) The term "business day" as used in paragraph (f)(2) of this IEX Rule 5.110 shall not include any partial business day provided that the associated person spends at least four hours on such business day at his or her designated branch office during the hours that such office is normally open for business.

• • • Supplementary Material • • •

.01 Registration of Main Office.

A Member's main office location is required to be registered and designated as a branch office or OSJ if it meets the definitions of a "branch office" or "office of supervisory jurisdiction" as set forth in IEX Rule 5.110(f). In general, the nature of activities conducted at a main office will satisfy the requirements of such terms.

.02 Designation of Additional OSJs.

In addition to the locations that meet the definition of OSJ in IEX Rule 5.110(f), each Member shall also register and designate other offices as OSJs as is necessary to supervise its associated persons in accordance with the standards set forth in IEX Rule 5.110. In making a determination as to whether to designate a location as an OSJ, the Member should consider the following factors:

(a) whether registered persons at the location engage in retail sales or other activities involving regular contact with public customers;

(b) whether a substantial number of registered persons conduct securities activities at, or are otherwise supervised from, such location;

(c) whether the location is geographically distant from another OSJ of the firm;

(d) whether the Member's registered persons are geographically dispersed; and

(e) whether the securities activities at such location are diverse or complex.

.03 Supervision of Multiple OSJs by a Single Principal.

Rule IEX 5.110 (a)(4) requires a Member to designate one or more appropriately registered principals in each OSJ with the authority to carry out the supervisory responsibilities assigned to that office ("on-site principal"). The designated on-site principal for each OSJ must have a physical presence, on a regular and routine basis, at each OSJ for which the principal has supervisory responsibilities. Consequently, there is a general presumption that a principal will not be designated and assigned to be the on-site principal pursuant to IEX Rule 5.110(a)(4) to supervise more than one OSJ. If a Member determines it is necessary to designate and assign one appropriately registered principal to be the on-site principal pursuant to IEX Rule 5.110(a)(4) to supervise two or more OSJs, the Member must take into consideration, among others, the following factors:

(a) whether the on-site principal is qualified by virtue of experience and training to supervise the activities and associated persons in each location;

(b) whether the on-site principal has the capacity and time to supervise the activities and associated persons in each location;

(c) whether the on-site principal is a producing registered representative;

(d) whether the OSJ locations are in sufficiently close proximity to ensure that the on-site principal is physically present at each location on a regular and routine basis; and

(e) the nature of activities at each location, including size and number of associated persons, scope of business activities, nature and complexity of products and services offered, volume of business done, the disciplinary history of persons assigned to such locations, and any other indicators of irregularities or misconduct.

The Member must establish, maintain, and enforce written supervisory procedures regarding the supervision of all OSJs. In all cases where a Member designates and assigns one on-site principal to supervise more than one OSJ, the Member must document in the Member's written supervisory and inspection procedures the factors used to determine why the Member considers such supervisory structure to be reasonable and the determination by the Member will be subject to scrutiny.

.04 Annual Compliance Meeting.

A Member is not required to conduct in-person meetings with each registered person or group of registered persons to comply with the annual compliance meeting (or interview) required by IEX Rule 5.110(a)(7). A Member that chooses to conduct compliance meetings using other methods (e.g., on-demand webcast or course, video conference, interactive classroom setting, telephone, or other electronic means) must ensure, at a minimum, that each registered person attends the entire meeting (e.g., an on-demand annual compliance webcast would require each registered person to use a unique user ID and password to gain access and use a technology platform to track the time spent on the webcast, provide click-as-you go confirmation, and have an attestation of completion at the end of a webcast) and is able to ask questions regarding the presentation and receive answers in a timely fashion (e.g., an on-demand annual compliance webcast that allows registered persons to ask questions via an email to a presenter or a centralized address or via a telephone hotline and receive timely responses directly or view such responses on the Member's intranet site).

.05 Risk-based Review of Member's Investment Banking and Securities Business.

A Member may use a risk-based review system to comply with Rule 5.110(b)(2)'s requirement that a registered principal review, all transactions relating to the investment banking or securities business of the Member. A Member is not required to conduct detailed reviews of each transaction if a Member is using a reasonably designed risk-based review system that provides a Member with sufficient information that permits the Member to focus on the areas that pose the greatest numbers and risks of violation.

.06 Risk-based Review of Correspondence and Internal Communications.

By employing risk-based principles, a Member must decide the extent to which additional policies and procedures for the review of:

(a) incoming and outgoing written (including electronic) correspondence that fall outside of the subject matters listed in IEX Rule 5.110(b)(4) are necessary for its business and structure. If a Member's procedures do not require that all correspondence be reviewed before use or distribution, the procedures must provide for:

(1) the education and training of associated persons regarding the firm's procedures governing correspondence;

(2) the documentation of such education and training; and

(3) surveillance and follow-up to ensure that such procedures are implemented and followed.

(b) internal communications that are not of a subject matter that require review under IEX Rules and federal securities laws are necessary for its business and structure.

.07 Evidence of Review of Correspondence and Internal Communications.

The evidence of review required in IEX Rule 5.110(b) must be chronicled either electronically or on paper and must clearly identify the reviewer, the internal communication or correspondence that was reviewed, the date of review, and the actions taken by the Member as a result of any significant regulatory issues identified during the review. Merely opening a communication is not sufficient review.

.08 Delegation of Correspondence and Internal Communication Review Functions.

In the course of the supervision and review of correspondence and internal communications required by IEX Rule 5.110(b)(4), a supervisor/principal may delegate certain functions to persons who need not be registered. However, the supervisor/principal remains ultimately responsible for the performance of all necessary supervisory reviews, irrespective of whether he or she delegates functions related to the review. Accordingly, supervisors/principals must take reasonable and appropriate action to ensure delegated functions are properly executed and should evidence performance of their procedures sufficiently to demonstrate overall supervisory control.

.09 Retention of Correspondence and Internal Communications.

Each Member shall retain the internal communications and correspondence of associated persons relating to the Member's investment banking or securities business for the period of time and accessibility specified in SEA Rule 17a-4(b). The names of the persons who prepared outgoing correspondence and who reviewed the correspondence shall be ascertainable from the retained records, and the retained records shall be readily available to IEX, upon request.

.10 Supervision of Supervisory Personnel.

A Member's determination that it is not possible to comply with paragraphs (b)(6)(C)(i) or (b)(6)(C)(ii) of IEX Rule 5.110 prohibiting supervisory personnel from supervising their own activities and from reporting to, or otherwise having compensation or continued employment determined by, a person or persons they are supervising generally will arise in instances where:

(a) the Member is a sole proprietor in a single-person firm;

(b) a registered person is the Member's most senior executive officer (or similar position); or

(c) a registered person is one of several of the Member's most senior executive officers (or similar positions).

.11 Use of Electronic Media to Communicate Written Supervisory Procedures.

A Member may use electronic media to satisfy its obligation to communicate its written supervisory procedures, and any amendment thereto, pursuant to IEX Rule 5.110(b)(7), provided that: (1) the written supervisory procedures have been promptly communicated to, and are readily accessible by, all associated persons to whom such supervisory procedures apply based on their activities and responsibilities through, for example, the Member's intranet system; (2) all amendments to the written supervisory procedures are promptly posted to the Member's electronic media; (3) associated persons are notified that amendments relevant to their activities and responsibilities have been made to the written supervisory procedures; (4) the Member has reasonable procedures to monitor and maintain the security of the material posted to ensure that it cannot be altered by unauthorized persons; and (5) the Member retains current and prior versions of its written supervisory procedures in compliance with the applicable record retention requirements of SEA Rule 17a-4(e)(7).

.12 Standards for Reasonable Review.

In fulfilling its obligations under IEX Rule 5.110(c), each Member must conduct a review, at least annually, of the businesses in which it engages. The review must be reasonably designed to assist in detecting and preventing violations of and achieving compliance with applicable securities laws and regulations and with IEX rules. Each Member shall establish and maintain supervisory procedures that must take into consideration, among other things, the firm's size, organizational structure, scope of business activities, number and location of the firm's offices, the nature and complexity of the products and services offered by the firm, the volume of business done, the number of associated persons assigned to a location, the disciplinary history of registered representatives or associated persons, and any indicators of irregularities or misconduct (i.e., "red flags"), etc. The procedures established and reviews conducted must provide that the quality of supervision at remote locations is sufficient to ensure compliance with applicable securities laws and regulations and with IEX rules. A Member must be especially diligent in establishing procedures and conducting reasonable reviews with respect to a non-branch location where a registered representative engages in securities activities. Based on the factors outlined above, Members may need to impose reasonably designed supervisory procedures for certain locations or may need to provide for more frequent reviews of certain locations.

.13 General Presumption of Three-Year Limit for Periodic Inspection Schedules.

IEX Rule 5.110(c)(1)(C) requires a Member to inspect on a regular periodic schedule every non-branch location. In establishing a non-branch location inspection schedule, there is a general presumption that a non-branch location will be inspected at least every three years, even in the absence of any indicators of irregularities or misconduct (i.e., "red flags"). If a Member establishes a longer periodic inspection schedule, the Member must document in its written supervisory and inspection procedures the factors used in determining that a longer periodic inspection cycle is appropriate.

.14 Exception to Persons Prohibited from Conducting Inspections.

A Member's determination that it is not possible to comply with IEX Rule 5.110(c)(3)(B) with respect to who is not allowed to conduct a location's inspection will generally arise in instances where:

(a) the Member has only one office; or

(b) the Member has a business model where small or single-person offices report directly to an OSJ manager who is also considered the offices' branch office manager.

** Where such office of convenience is located on bank premises, signage necessary to comply with applicable federal and state laws, rules and regulations and applicable rules and regulations of other self-regulatory organizations, and securities and banking regulators may be displayed and shall not be deemed "holding out" for purposes of this section.*

.15 Temporary Relief to Allow Remote Inspections for Calendar Years 2021, 2022, 2023, and Through the Earlier of the Effective Date of the Remote Inspections Pilot Program or June 30, 2024.

(a) Use of Remote Inspections. Each Member obligated to conduct an inspection of an office of supervisory jurisdiction, branch office or non-branch location in the calendar years specified in this supplementary material pursuant to, as applicable, paragraphs (c)(1)(A), (B) and (C) under Rule 5.110 may, subject to the requirements of this Supplementary Material .15, satisfy such obligation by conducting the applicable inspection remotely, without an on-site visit to the office or location. Inspections for calendar year 2021 must have been completed on or before December 31, 2021, inspections for calendar year 2022 must have been completed on or before December 31, 2022, and inspections for calendar year 2023 must have been completed on or before December 31, 2023. With respect to a Member's obligation to conduct an inspection of an office or location in calendar year 2024, a Member has the option to conduct those inspections remotely through the earlier of the effective date of the Remote Inspections Pilot Program proposed in File No. SR-FINRA-2023-007, or June 30, 2024. Notwithstanding this Supplementary Material .15, a Member shall remain subject to the other requirements of Rule 5.110(c).

(b) Written Supervisory Procedures for Remote Inspections. Consistent with a Member's obligation under Rule 5.110(b)(1), a Member that elects to conduct its inspections remotely for any of the calendar years specified in this supplementary material must amend or supplement its written supervisory procedures to provide for remote inspections that are reasonably designed to assist in detecting and preventing violations of and achieving compliance with applicable securities laws and regulations, and with applicable IEX rules. Reasonably designed procedures for conducting remote inspections of offices or locations should include, among other things: (1) a description of the methodology, including technologies permitted by the Member, that may be used to conduct remote inspections; and (2) the use of other risk-based systems employed generally by the Member to identify and prioritize for review those areas that pose the greatest risk of potential violations of applicable securities laws and regulations, and of applicable IEX rules.

(c) Effective Supervisory System. The requirement to conduct inspections of offices and locations is one part of the Member's overall obligation to have an effective supervisory system and therefore, the Member must continue with its ongoing review of the activities and functions occurring at all offices and locations, whether or not the Member conducts inspections remotely. A Member's use of a remote inspection of an office or location will be held to the same standards for review as set forth under Rule 5.110, Supplementary Material .12. Where a Member's remote inspection of an office or location identifies any indicators of irregularities or misconduct (i.e., "red flags"), the Member may need to impose additional supervisory procedures for that office or location or may need to provide for more frequent monitoring of that office or location, including potentially a subsequent physical, on-site visit on an announced or unannounced basis when the Member's operational difficulties associated with COVID-19 abate, nationally or locally as relevant, and the challenges a Member is facing in light of the public health and safety concerns make such on-site visits feasible using reasonable best efforts. The temporary relief provided by this Supplementary Material .15 does not extend to a Member's inspection requirements beyond the earlier of the effective date of the Remote Inspections Pilot Program proposed in File No. SR-FINRA-2023-007, or June 30, 2024 and such inspections must be conducted in compliance with Rule 5.110(c).

(d) Documentation Requirement. A Member must maintain and preserve a centralized record for the calendar years specified in this Supplementary Material, that separately identifies: (1) all offices or locations that had inspections that were conducted remotely; and (2) any offices or locations for which the Member determined to impose additional supervisory procedures or more frequent monitoring, as provided in Supplementary Material .15(c). A Member's documentation of the results of a remote inspection for an

office or location must identify any additional supervisory procedures or more frequent monitoring for that office or location that were imposed as a result of the remote inspection.

(Amended by SR-IEX-2016-12 eff. August 11, 2016; amended by SR-IEX-2021-09 eff. June 11, 2021; amended by SR-IEX-2022-12 eff. Dec. 7, 2022; amended by SR-IEX-2022-14 eff. Dec. 23, 2022; amended by SR-IEX-2024-02 eff. January 8, 2024).

Rule 5.120. Supervisory Control System

(a) Each Member shall designate and specifically identify to IEX one or more principals who shall establish, maintain, and enforce a system of supervisory control policies and procedures that:

(1) test and verify that the Member's supervisory procedures are reasonably designed with respect to the activities of the Member and its associated persons, to achieve compliance with applicable securities laws and regulations, and with applicable IEX Rules; and

(2) create additional or amend supervisory procedures where the need is identified by such testing and verification. The designated principal or principals must submit to the Member's senior management no less than annually, a report detailing each Member's system of supervisory controls, the summary of the test results and significant identified exceptions, and any additional or amended supervisory procedures created in response to the test results.

(b) Each report provided to senior management pursuant to paragraph (a) in the calendar year following a calendar year in which a Member reported $200 million or more in gross revenue must include, to the extent applicable to the Member's business:

(1) a tabulation of the reports pertaining to customer complaints and internal investigations made to IEX during the preceding year; and

(2) discussion of the preceding year's compliance efforts, including procedures and educational programs, in each of the following areas:

(A) trading and market activities;

(B) investment banking activities;

(C) antifraud and sales practices;

(D) finance and operations;

(E) supervision; and

(F) anti-money laundering.

(c) For purposes of paragraph (b), "gross revenue" is defined as:

(1) total revenue as reported on FOCUS Form Part II or IIA (line item 4030) less commodities revenue (line item 3990), if applicable; or

(2) total revenue as reported on FOCUS Form Part II CSE (line item 4030) less, if applicable, (A) commissions on commodity transactions (line item 3991); and (B) commodities gains or losses (line items 3924 and 3904).

Rule 5.130. Annual Certification of Compliance and Supervisory Processes

(a) IEX Members and persons associated with a member shall comply with FINRA Rule 3130 as if such Rule were part of IEX's Rules.

(b) For purposes of this IEX Rule:

(1) references to "FINRA Rules" shall be construed as references to "IEX Rules," and

(2) references to "MSRB rules" shall be deleted.

Rule 5.140. Reserved.

Rule 5.150. Prevention of the Misuse of Material, Non-Public Information

Each Member must establish, maintain and enforce written procedures reasonably designed, taking into consideration the nature of such Member's business, to prevent the misuse of material, non-public information by such Member or persons associated with such Member. Members for whom the Exchange is the Designated Examining Authority that are required to file SEC form X-17A-5 with the Exchange on an annual or more frequent basis must file contemporaneously with the submission for the calendar year end Insider Trading and Securities Fraud Enforcement Act of 1988 compliance acknowledgements stating that the procedures mandated by this IEX Rule have been established, enforced and maintained. Any Member or associated person of a Member who becomes aware of a possible misuse of material, non-public information must notify the IEX Regulation.

(a) For purposes of this IEX Rule 5.150, conduct constituting the misuse of material, non-public information includes, but is not limited to, the following:

(1) Trading in any securities issued by a corporation, or in any related securities or related options or other derivative securities, while in possession of material, non-public information concerning that issuer; or

(2) Trading in a security or related options or other derivative securities, while in possession of material non-public information concerning imminent transactions in the security or related securities; or

(3) Disclosing to another person or entity any material, non-public information involving a corporation whose shares are publicly traded or an imminent transaction in an underlying security or related securities for the purpose of facilitating the possible misuse of such material, non-public information.

(b) This IEX Rule 5.150 provides that, at a minimum, each Member establish, maintain, and enforce the following policies and procedures:

(1) All associated persons of the Member must be advised in writing of the prohibition against the misuse of material, non-public information;

(2) All associated persons of the Member must sign attestations affirming their awareness of, and agreement to abide by the aforementioned prohibitions. These signed attestations must be maintained for at least three years, the first two years in an easily accessible place;

(3) Each Member must receive and retain copies of trade confirmations and monthly account statements for each account in which an associated person has a direct or indirect financial interest or makes investment decisions. The activity in such brokerage accounts should be reviewed at least quarterly by the Member for the purpose of detecting the possible misuse of material, non-public information;

(4) All associated persons must disclose to the Member whether they, or any person in whose account they have a direct or indirect financial interest, or make investment decisions, are an officer, director, or 10% shareholder in a company whose shares are publicly traded. Any transaction in the stock (or option thereon) of such company shall be reviewed to determine whether the transaction may have involved a misuse of material non-public information.

Maintenance of the foregoing policies and procedures will not, in all cases, satisfy the requirements and intent of this IEX Rule 5.150; the adequacy of each Member's policies and procedures will depend upon the nature of such Member's business.

Rule 5.160. Anti-Money Laundering Compliance Program

Each Member shall develop and implement a written anti-money laundering program reasonably designed to achieve and monitor the Member's compliance with the requirements of the Bank Secrecy Act (31 U.S.C. 5311, et seq.), and the implementing regulations promulgated thereunder by the Department of the Treasury. Each Member's anti-money laundering program must be approved, in writing, by a Member of senior management. The anti-money laundering programs required by this IEX Rule 5.160 shall, at a minimum:

(a) Establish and implement policies and procedures that can be reasonably expected to detect and cause the reporting of transactions required under 31 U.S.C. 5318(g) and the implementing regulations thereunder;

(b) Establish and implement policies, procedures, and internal controls reasonably designed to achieve compliance with the Bank Secrecy Act and the implementing regulations thereunder;

(c) Provide for annual (on a calendar-year basis) independent testing for compliance to be conducted by Member personnel or by a qualified outside party, unless the Member does not execute transactions for customers or otherwise hold customer accounts or act as an introducing broker with respect to customer accounts (e.g., engages solely in proprietary trading or conducts business only with other broker-dealers), in which case such "independent testing" is required every two years (on a calendar-year basis);

(d) Designate and identify to IEX (by name, title, mailing address, e-mail address, telephone number, and facsimile number) an individual or individuals responsible for implementing and monitoring the day-to-day operations and internal controls of the program (such individual or individuals must be an associated person of the Member) and provide prompt notification to IEX regarding any change in such designation(s);

(e) Provide ongoing training for appropriate personnel; and

(f) Include appropriate risk-based procedures for conducting ongoing customer due diligence, to include, but not be limited to:

(i) Understanding the nature and purpose of customer relationships for the purpose of developing a customer risk profile; and

(ii) Conducting ongoing monitoring to identify and report suspicious transactions and, on a risk basis, to maintain and update customer information. For purposes of paragraph (f)(ii), customer information shall include information regarding the beneficial owners of legal entity customers (as defined in 31 CFR 1010.230(e)).

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*• • • **Supplementary Material** • • •*

.01 Independent Testing Requirements

(a) All members should undertake more frequent testing than required if circumstances warrant.

(b) Independent testing, pursuant to IEX Rule 5.160(c), must be conducted by a designated person with a working knowledge of applicable requirements under the Bank Secrecy Act and its implementing regulations.

(c) Independent testing may not be conducted by:

(1) a person who performs the functions being tested,

(2) the designated anti-money laundering compliance person, or

(3) a person who reports to a person described in either subparagraphs (1) or (2) above.

.02 Review of Anti-Money Laundering Compliance Person Information

Each member must identify, review, and, if necessary, update the information regarding its anti-money laundering compliance person designated pursuant to IEX Rule 5.160(d) in the manner prescribed by IEX Rule 2.170(g)

(Amended by SR-IEX-2018-22 eff. November 20, 2018).

Rule 5.170. Transactions for or by Associated Persons

Members and persons associated with a Member shall comply with FINRA Rule 3210 as if such Rule were part of IEX's Rules.

(Amended by SR-IEX-2018-04 eff. February 27, 2018).

CHAPTER 6. MISCELLANEOUS PROVISIONS

Rule 6.110. Comparison and Settlement Requirements

(a) Every Member who is a Member of a registered clearing agency shall implement comparison and settlement procedures under the rules of such entity.

(b) For purposes of this IEX Rule, a registered clearing agency shall mean a clearing agency (as defined in the Act) which has agreed to supply the Exchange with data reasonably requested in order to permit the Exchange to enforce compliance by its Members and Member organizations with the provisions of the Act, the rules and regulations thereunder, and the Rules of the Exchange.

(c) Anything contained in paragraph (a) to the contrary notwithstanding, the Board may extend or postpone the time of the delivery of an Exchange transaction whenever, in its opinion, such action is called for by the public interest, by just and equitable principles of trade or by the need to meet unusual conditions. In such case, delivery shall be effected at such time, place and manner as directed by the Board.

Rule 6.120. Failure to Deliver and Failure to Receive

(a) Borrowing and deliveries shall be effected in accordance with Rule 203 of Regulation SHO, under the Exchange Act. The Exchange incorporates by reference Rules 200 and 203 of Regulation SHO, to this IEX Rule 6.120, as if they were fully set forth herein.

Rule 6.130. Forwarding of Proxy and Other Issuer-Related Materials; Proxy Voting

(a) A Member when so requested by an issuer and upon being furnished with: (1) sufficient copies of proxy material, annual reports, information statements or other material required by law to be sent to security holders periodically, and (2) satisfactory assurance that it will be reimbursed by such issuer for all out-of-pocket expenses, including reasonable clerical expenses, shall transmit promptly to each beneficial owner of securities (or the beneficial owner's designated investment adviser) of such issuer which are in its possession and control and registered in a name other than the name of the beneficial owner all such material furnished. In the event of a proxy solicitation, such material shall include a signed proxy indicating the number of shares held for such beneficial owner and bearing a symbol identifying the proxy with proxy records maintained by the Member, and a letter informing the beneficial owner (or the beneficial owner's designated investment adviser) of the time limit and necessity for completing the proxy form and forwarding it to the person soliciting proxies prior to the expiration of the time limit in order for the shares to be represented at the meeting. A Member shall furnish a copy of the symbols to the person soliciting the proxies and shall also retain a copy thereof pursuant to the provisions of Exchange Act Rule 17a-4. This paragraph shall not apply to beneficial owners residing outside of the U.S. though Members may voluntarily comply with the provisions hereof in respect of such persons if they so desire.

(b) No Member shall give a proxy to vote stock that is registered in its name, unless: (i) such Member is the beneficial owner of such stock; (ii) such proxy is given pursuant to the written instructions of the beneficial owner; or (iii) such proxy is given pursuant to the rules of any national securities exchange or association of which it is a Member provided that the records of the Member clearly indicate the procedure it is following.

(c) Notwithstanding the foregoing, a Member that is not the beneficial owner of a security registered under Section 12 of the Exchange Act is prohibited from granting a proxy to vote the security in connection with a shareholder vote on the election of a Member of the board of directors of an issuer (except for a vote with respect to uncontested election of a Member of the board of directors of any investment company registered under the Investment Company Act of 1940), executive compensation, or any other significant matter, as determined by the Commission, by rule, unless the

beneficial owner of the security has instructed the Member to vote the proxy in accordance with the voting instructions of the beneficial owner.

(d) Notwithstanding the foregoing, a Member may give a proxy to vote any stock registered in its name if such Member holds such stock as executor, administrator, guardian, trustee, or in a similar representative or fiduciary capacity with authority to vote. A Member that has in its possession or within its control stock registered in the name of another Member and that desires to transmit signed proxies pursuant to the provisions of paragraph (a) of this IEX Rule 6.130, shall obtain the requisite number of signed proxies from such holder of record. Notwithstanding the foregoing: (1) any Member designated by a named Employee Retirement Income Security Act of 1974 (as amended) ("ERISA") Plan fiduciary as the investment manager of stock held as assets of the ERISA Plan may vote the proxies in accordance with the ERISA Plan fiduciary responsibilities if the ERISA Plan expressly grants discretion to the investment manager to manage, acquire, or dispose of any plan asset and has not expressly reserved the proxy voting right for the named ERISA Plan fiduciary; and (2) any designated investment adviser may vote such proxies.

(e) Designated Investment Advisor

For purposes of this IEX Rule 6.130, the term "designated investment adviser" is a person registered under the Investment Advisers Act of 1940, or registered as an investment adviser under the laws of a state, who exercises investment discretion pursuant to an advisory contract for the beneficial owner and is designated in writing by the beneficial owner to receive proxy and related materials and vote the proxy, and to receive annual reports and other material sent to security holders.

(f) For purposes of this IEX Rule 6.130, the term "state" shall have the meaning given to such term in Section 202(a)(19) of the Investment Advisers Act (as the same may be amended from time to time).

(g) The written designation must be signed by the beneficial owner; be addressed to the Member; and include the name of the designated investment adviser.

(h) Members that receive such a written designation from a beneficial owner must ensure that the designated investment adviser is registered with the SEC pursuant to the Investment Advisers Act, or with a state as an investment adviser under the laws of such state, and that the investment adviser is exercising investment discretion over the customer's account pursuant to an advisory contract to vote proxies and/or to receive proxy soliciting material, annual reports and other material. Members must keep records substantiating this information.

(i) Beneficial owners have an unqualified right at any time to rescind designation of the investment adviser to receive materials and to vote proxies. The rescission must be in writing and submitted to the Member.

Rule 6.140. Assigning of Registered Securities in Name of a Member or Member Organization

(a) A Member may authorize one or more persons who are its employees to assign registered securities in the name of such Member and to guarantee assignments of registered securities with the same effect as if the name of such Member had been signed under like circumstances by one of the partners of the Member firm or by one of the authorized officers of the Member corporation by executing and filing with the Exchange, in a form prescribed by it, a separate Power of Attorney for each person so authorized.

Rule 6.150. Commissions

Nothing in IEX Rules, the Operating Agreement or the Exchange practices shall be construed to require, authorize or permit any Member, or any person associated with a Member, to agree or arrange, directly or indirectly, for the charging of fixed rates of commission for transactions effected on, or effected by the use of the facilities of, the Exchange.

Rule 6.160. Off-Exchange Transactions

No rule, stated policy or practice of this Exchange shall prohibit or condition, or be construed to prohibit or condition or otherwise limit, directly or indirectly, the ability of any Member to effect any transaction otherwise than on this Exchange with another person in any security listed on this Exchange or to which unlisted trading privileges on this Exchange have been extended.

Rule 6.170. Regulatory Services Agreement

The Exchange may enter into one or more agreements with another self-regulatory organization to provide regulatory services to the Exchange to assist the Exchange in discharging its obligations under Section 6 and Section 19(g) of the Exchange Act. Any action taken by another self-regulatory organization, or its employees or authorized agents, acting on behalf of the Exchange pursuant to a regulatory services agreement shall be deemed to be an action taken by the Exchange; provided, however, that nothing in this provision shall affect the oversight of such other self-regulatory organization by the Commission. Notwithstanding the fact that the Exchange may enter into one or more regulatory services agreements, the Exchange shall retain ultimate legal responsibility for, and control of, its self-regulatory responsibilities, and any such regulatory services agreement shall so provide.

Rule 6.180. Transactions Involving IEX Employees

(a) When a Member has actual notice that an IEX employee has a financial interest in, or controls trading in, an account, the Member shall promptly obtain and implement an instruction from the employee directing that duplicate account statements be provided by the Member to IEX.

(b) No Member shall directly or indirectly make any loan of money or securities to any IEX employee. Provided, however, that this prohibition does not apply to loans made in the context of disclosed, routine banking and brokerage agreements, or loans that are clearly motivated by a personal or family relationship.

(c) Notwithstanding the annual dollar limitation set forth in IEX Rule 3.291, no Member shall directly or indirectly give, or permit to be given, anything of more than nominal value to any IEX employee who has responsibility for a regulatory matter that involves the Member. For purposes of this subsection, the term "regulatory matter" includes, but is not limited to, examinations, disciplinary proceedings, membership applications, listing applications, delisting proceedings, and dispute-resolution proceedings that involve the Member.

Rule 6.210. Ex-Dividend or Ex-Rights Dates

The highlighted portions below of this rule are not yet operative. The launch schedule has been announced in IEX Trading Alert # 2024-013. The relevant notice of filing and immediate effectiveness is available here.

Transactions in securities traded "regular" shall be "ex-dividend" or "ex-rights" as the case may be, on the same business day ~~preceding~~ as the record date fixed by the company or the date of the closing of transfer books, except when the Board of Directors rules otherwise. Should such record date or such closing of transfer books occur upon a day other than a business day this Rule shall apply for the ~~second~~ preceding business day.

(Adopted by SR-IEX-2017-38 eff. October 27, 2017; amended by SR-IEX-2024-05 eff. March 13, 2024 (the highlighted portions above of this rule are not yet operative. The launch schedule has been announced in IEX Trading Alert # 2024-013. The relevant notice of filing and immediate effectiveness is available here.).

CHAPTER 7. RESERVED.

CHAPTER 8. INVESTIGATIONS AND SANCTIONS

Rule Series 8.100. GENERAL PROVISIONS

Rule 8.100. Regulation of IEX and its Members

IEX and FINRA are parties to the Regulatory Contract pursuant to which FINRA has agreed to perform certain functions described in these rules on behalf of IEX. IEX Rules that refer to IEX Regulation, IEX Regulation staff, IEX staff, and IEX departments should be understood as also referring to FINRA staff and FINRA departments acting on behalf of IEX pursuant to the Regulatory Contract.

Notwithstanding the fact that IEX has entered into the Regulatory Contract with FINRA to perform some of IEX's functions, IEX shall retain ultimate legal responsibility for, and control of, such functions.

Rule 8.110. Availability of IEX Rulebook to Customers

Members shall make available a current copy of the IEX Rules for examination by customers upon request. Members may comply with this IEX Rule by maintaining electronic access to the IEX Rules and providing customers with such access upon request.

Rule 8.120. Definitions

Unless otherwise provided, terms used in this Chapter 8 shall have the meaning as defined in IEX Rule 9.120.

Rule Series 8.200. INVESTIGATIONS

Rule 8.210. Provisions of Information and Testimony and Inspection and Copying of Books

(a) Authority of Adjudicator and IEX Staff

For the purpose of an investigation, complaint, examination, or proceeding authorized by the IEX Operating Agreement or IEX Rules, an Adjudicator or IEX staff shall have the right to:

(1) require a Member, person associated with a Member, or any other person subject to IEX's jurisdiction to provide information orally, in writing, or electronically (if the requested information is, or is required to be, maintained in electronic form) and to testify at a location specified by IEX staff, under oath or affirmation administered by

a court reporter or a notary public if requested, with respect to any matter involved in the investigation, complaint, examination, or proceeding; and

(2) inspect and copy the books, records, and accounts of such Member or person with respect to any matter involved in the investigation, complaint, examination, or proceeding that is in such Member's or person's possession, custody or control.

(b) Other SROs and Regulators

(1) IEX staff may enter into an agreement with a domestic federal agency, or subdivision thereof, or foreign regulator to share any information in IEX's possession for any regulatory purpose set forth in such agreement, provided that the agreement must require the other regulator, in accordance with the terms of the agreement, to treat any shared information confidentially and to assert such confidentiality and other applicable privileges in response to any requests for such information from third parties.

Any such agreement with a foreign regulator must also meet the following conditions:

(A) the other regulator party to the agreement must have jurisdiction over common regulatory matters; and

(B) the agreement must require the other regulator to reciprocate and share with IEX information of regulatory interest or concern to IEX.

(2) IEX staff may exercise the authority set forth in paragraph (a) for the purpose of an investigation, complaint, examination, or proceeding conducted by another domestic or foreign self-regulatory organization, association, securities or contract market, or regulator of such markets with which IEX has entered into an agreement providing for the exchange of information and other forms of material assistance solely for market surveillance, investigative, enforcement, or other regulatory purposes.

(c) Requirement to Comply

No Member or person shall fail to provide information or testimony or to permit an inspection and copying of books, records, or accounts pursuant to this IEX Rule.

(d) Notice

A notice under this IEX Rule 8.210 shall be deemed received by the Member or currently or formerly registered person to whom it is directed by mailing or otherwise transmitting the notice to the last known business address of the Member or the last known residential address of the person as reflected in the Central Registration Depository. With respect to a person who is currently associated with a Member in an unregistered capacity, a notice under this IEX Rule 8.210 shall be deemed received by the person by mailing or otherwise transmitting the notice to the last known business address of the Member as reflected in the Central Registration Depository. With respect to a person subject to IEX's jurisdiction who was formerly associated with a Member in an unregistered capacity, a notice under this IEX Rule shall be deemed received by the person upon personal service, as set forth in IEX Rule 9.134(a)(1).

If the Adjudicator or IEX staff responsible for mailing or otherwise transmitting the notice to the Member or person has actual knowledge that the address in the Central Registration Depository is out of date or inaccurate, then a copy of the notice shall be mailed or otherwise transmitted to:

(1) the last known business address of the Member or the last known residential address of the person as reflected in the Central Registration Depository; and

(2) any other more current address of the Member or the person known to the Adjudicator or IEX staff who is responsible for mailing or otherwise transmitting the notice.

If the Adjudicator or IEX staff responsible for mailing or otherwise transmitting the notice to the Member or person knows that the Member or person is represented by counsel regarding the investigation, complaint, examination, or proceeding that is the subject of the notice, then the notice shall be served upon counsel by mailing or otherwise transmitting the notice to the counsel in lieu of the Member or person, and any notice served upon counsel shall be deemed received by the Member or person.

(e) Electronic Interface

In carrying out its responsibilities under this IEX Rule 8.210, IEX may, as appropriate, establish programs for the submission of information to IEX on a regular basis through a direct or indirect electronic interface between IEX and Members.

(f) Inspection and Copying

A witness, upon proper identification, may inspect the official transcript of the witness' own testimony. Upon written request, a person who has submitted documentary evidence or testimony in an IEX investigation may procure a copy of the person's documentary evidence or the transcript of the person's testimony upon payment of the appropriate fees, except that prior to the issuance of a complaint arising from the investigation, IEX staff may for good cause deny such request.

(g) Encryption of Information Provided in Electronic Form

(1) Any Member or person who, in response to a request pursuant to this IEX Rule 8.210, provides the requested information on a portable media device must ensure that such information is encrypted.

(2) For purposes of this IEX Rule 8.210, a "portable media device" is a storage device for electronic information, including but not limited to a flash drive, CD-ROM, DVD, portable hard drive, laptop computer, disc, diskette, or any other portable device for storing and transporting electronic information.

(3) For purposes of this IEX Rule 8.210, "encrypted" means the transformation of data into a form in which meaning cannot be assigned without the use of a confidential process or key. To ensure that encrypted information is secure, a Member or person providing encrypted information to IEX staff pursuant to this IEX Rule 8.210 shall (a) use an encryption method that meets industry standards for strong encryption, and (b) provide the confidential process or key regarding the encryption to IEX staff in a communication separate from the encrypted information itself.

Rule 8.220. Automated Submission of Trading Data Requested

(a) A Member shall submit the trade data specified below in automated format as may be prescribed by IEX from time to time. This information shall be supplied with respect to any transaction or transactions that are the subject of a request for information made by IEX.

(b) If the transaction was a proprietary transaction effected or caused to be effected by the Member for any account in which such Member, or person associated with a Member, is directly or indirectly interested, such Member shall submit or cause to be submitted the following information:

(1) Clearing house number, or alpha symbol as used by the Member submitting the data;

(2) Clearing house number(s), or alpha symbol(s) as may be used from time to time, of the Member(s) on the opposite side of the transaction

(3) Identifying symbol assigned to the security;

(4) Date transaction was executed;

(5) Number of shares, or quantity of bonds or options contracts for each specific transaction and whether each transaction was a purchase, sale, short sale, or, if an options contract, whether open long or short or close long or short;

(6) Transaction price;

(7) Account number; and

(8) Trading center where transaction was executed.

(c) If the transaction was effected or caused to be effected by the Member for any customer account, such Member shall submit or cause to be submitted the following information:

(1) The data described in paragraphs (b)(1) through (8) above;

(2) The customer name, address(es), branch office number, registered representative number, whether order was solicited or unsolicited, date account opened, employer name, and the tax identification number(s); and

(3) If the transaction was effected for another Member, whether the other Member was acting as principal or agent.

(d) In addition to the above trade data, a Member shall submit such other information in such automated format as may from time to time be required by IEX.

(e) Pursuant to IEX Rule Series 9.600, IEX may exempt a Member from the requirement that the data prescribed in paragraphs (b) through (d) above be submitted to IEX in an automated format for good cause shown.

Rule Series 8.300. SANCTIONS

Rule 8.310. Sanctions for Violation of the Rules

(a) Imposition of Sanction

After compliance with Chapter 9 of the IEX Rules, IEX may impose one or more of the following sanctions on a Member or person associated with a Member for each violation of the federal securities laws, rules or regulations thereunder,

or IEX Rules, or may impose one or more of the following sanctions on a Member or person associated with a Member for any neglect or refusal to comply with an order, direction, or decision issued under the IEX Rules:

(1) censure a Member or person associated with a Member;

(2) impose a fine upon a Member or person associated with a Member;

(3) suspend the membership of a Member or suspend the registration of a person associated with a Member for a definite period or a period contingent on the performance of a particular act;

(4) expel a Member, cancel the membership of a Member, or revoke or cancel the registration of a person associated with a Member;

(5) suspend or bar a Member or person associated with a Member from association with all Members;

(6) impose a temporary or permanent cease and desist order against a Member or a person associated with a Member; or

(7) impose any other fitting sanction.

(b) Assent to Sanction

Each party to a proceeding resulting in a sanction shall be deemed to have assented to the imposition of the sanction unless such party files a written application for appeal, review, or relief pursuant to Chapter 9 of the IEX Rules.

Rule 8.320. Effect of a Suspension, Revocation, Cancellation or Bar

If IEX, the SEC, or the Member's designated examining authority issues an order that imposes a suspension, revocation, or cancellation of the registration of a person associated with a Member or bars a person from further association with any Member, a Member shall not allow such person to remain associated with it in any capacity, including a clerical or ministerial capacity. If IEX, the SEC, or the Member's designated examining authority suspends a person associated with a Member, the Member also shall not pay or credit any salary, or any commission, profit, or other remuneration that results directly or indirectly from any securities transaction, that the person associated with a Member might have earned during the period of suspension.

Rule 8.330. Reserved.

Rule 8.340. Release of Disciplinary Decisions

The Exchange shall publish a copy of any final disciplinary action under IEX Rule Series 9.000, other than minor rule violations, on its website.

Rule 8.350. Payment of Fines, Other Monetary Sanctions, or Costs; Summary Action for Failure to Pay

(a) Payment to the Exchange

All fines and other monetary sanctions shall be paid as directed by IEX.

(b) Summary Suspension or Expulsion

After seven days' notice in writing, IEX may summarily suspend or expel from membership a Member that fails to:

(1) pay promptly a fine or other monetary sanction imposed pursuant to IEX Rule 8.310 or cost imposed pursuant to IEX Rule 8.360 when such fine, monetary sanction, or cost becomes finally due and payable; or

(2) terminate immediately the association of a person who fails to pay promptly a fine or other monetary sanction imposed pursuant to IEX Rule 8.310 or a cost imposed pursuant to IEX Rule 8.360 when such fine, monetary sanction, or cost becomes finally due and payable.

(c) Summary Revocation of Registration

After seven days' notice in writing, IEX may summarily revoke the registration of a person associated with a Member if such person fails to pay promptly a fine or other monetary sanction imposed pursuant to IEX Rule 8.310 or a cost imposed pursuant to IEX Rule 8.360 when such fine, monetary sanction, or cost becomes finally due and payable.

Rule 8.360. Costs of Proceedings

A Member or person associated with a Member disciplined pursuant to IEX Rule 8.310 shall bear such costs of the proceeding as the Adjudicator deems fair and appropriate under the circumstances.

CHAPTER 9. CODE OF PROCEDURE

Rule Series 9.000. CODE OF PROCEDURE

Rule 9.001. Regulatory Contract with FINRA

IEX and FINRA are parties to the Regulatory Contract, pursuant to which FINRA has agreed to perform certain functions described in the Rule 9.000 Series on behalf of IEX. IEX Rules that refer to the IEX Regulation, IEX Regulation staff, IEX staff, and IEX departments should be understood as also referring to FINRA, FINRA staff, and FINRA departments acting on behalf of IEX pursuant to the Regulatory Contract.

Notwithstanding the fact that IEX has entered into the Regulatory Contract with FINRA to perform some of IEX's functions, IEX shall retain ultimate legal responsibility for, and control of, such functions.

Rule 9.100. Application and Purpose

Rule 9.110. Application

(a) Proceedings

Chapter 9 of the IEX Rules is the Code of Procedure and includes proceedings for disciplining a Member or person associated with a Member; proceedings for regulating the activities of a Member experiencing financial or operational difficulties; proceedings for summary or non-summary suspensions, cancellations, bars, prohibitions, or limitations; and proceedings for obtaining relief from the eligibility requirements of the IEX Operating Agreement and IEX Rules.

Chapter 9 of the IEX Rules is of general applicability to all proceedings set forth in Chapter 9 of the IEX Rules, unless a specific Rule provides otherwise.

(b) Rights, Duties, and Obligations of Members and Associated Persons

Unless otherwise specified, a covered person shall have the same rights as a Member organization and shall be subject to the same duties and obligations under the Code of Procedure.

(c) Incorporation of Defined Terms and Cross References

Unless otherwise provided, terms used in the IEX Rule Series 9.000 shall have the meaning as defined in IEX Rules 1.160 and 9.120. References within the IEX Rule Series 9.000 to FINRA offices or departments refer to offices so designated by FINRA or Department of Market Regulation of FINRA.

Rule 9.120. Definitions

(a) "Adjudicator"

The term "Adjudicator" means:

(1) a body, board, committee, group, or natural person that presides over a proceeding and renders a decision;

(2) a body, board, committee, group, or natural person that presides over a proceeding and renders a recommended or proposed decision which is acted upon by an Adjudicator described in paragraph (a)(1); or

(3) a natural person who serves on a body, board, committee, or group described in paragraphs (a)(1) or (2).

(b) "Chief Hearing Officer"

The term "Chief Hearing Officer" means the Hearing Officer that manages the Office of Hearing Officers, or his or her delegatee. The Chief Hearing Officer may be FINRA's Chief Hearing Officer pursuant to the Regulatory Contract, if approved by the Board of Directors at least annually.

(c) Reserved

(d) "Code"

The term "Code" refers to the Code of Procedure.

(e) "Counsel to the IEX Appeals Committee"

The term "Counsel to the IEX Appeals Committee" means the General Counsel of IEX who is responsible for advising the IEX Appeals Committee regarding a disciplinary proceeding on appeal or review before the IEX Appeals Committee.

(f) "Department of Enforcement"

The term "Department of Enforcement" means the Department of Enforcement of FINRA, acting on behalf of IEX pursuant to the Regulatory Contract.

(g) "Department of Market Regulation"

The term "Department of Market Regulation" means the Department of Market Regulation of FINRA, acting on behalf of IEX pursuant to the Regulatory Contract.

(h) "Department of Member Regulation"

The term "Department of Member Regulation" means the Department of Member Regulation of FINRA, acting on behalf of IEX pursuant to the Regulatory Contract.

(i) "Director"

The term "Director" means a member of the Board of Directors of IEX.

(j) "Document"

The term "Document" means a writing, drawing, graph, chart, photograph, recording, or any other data compilation, including data stored by computer, from which information can be obtained.

(k) "Extended Hearing"

The term "Extended Hearing" means a disciplinary proceeding described in IEX Rule 9.231(c).

(l) "Extended Hearing Panel"

The term "Extended Hearing Panel" means an Adjudicator that is constituted under IEX Rule 9.231(c) to conduct a disciplinary proceeding that is classified as an "Extended Hearing" and is governed by Rule Series 9.200.

(m) "General Counsel"

The term "General Counsel" means the Chief Legal Officer or General Counsel of IEX, or his or her delegate, who shall be a person who reports to the Chief Legal Officer or General Counsel of IEX and is an Associate General Counsel, an Assistant General Counsel, or a person who has substantially the same or equivalent duties and responsibilities as an Associate General Counsel or an Assistant General Counsel.

(n) "Head of Enforcement"

The term "Head of Enforcement" means the individual designated by FINRA to manage its Department of Enforcement, or his or her delegatee in the Department of Enforcement.

(o) “Head of Market Regulation”

The term “Head of Market Regulation means the individual designated by FINRA to manage its Department of Market Regulation, or his or her delegatee in the Department of Market Regulation.

(p) "Hearing Officer"

The term "Hearing Officer" means an employee of FINRA, or former employee of FINRA who previously acted as a Hearing Officer, who is an attorney and who is appointed by the Chief Hearing Officer to act in an adjudicative role and fulfill various adjudicative responsibilities and duties described in the Rule Series 9.200 regarding disciplinary proceedings, the Rule 9.550 Series regarding expedited proceedings and the Rule Series 9.800 regarding temporary cease and desist proceedings brought against Members and covered persons.

(q) "Hearing Panel"

The term "Hearing Panel" means an Adjudicator that is constituted under IEX Rule 9.231 to conduct a disciplinary proceeding governed by IEX Rule Series 9.200 or that is constituted under IEX Rule Series 9.520 or 9.550 to conduct a proceeding.

(r) "Interested Staff"

The term "Interested Staff" means, in the context of:

(1) a disciplinary proceeding under IEX Rule Series 9.200 and 9.300:

(A) the Head of Enforcement;

(B) an IEX Regulation employee or FINRA employee of the Department of Enforcement who reports, directly or indirectly, to the Head of Enforcement;

(C) an IEX Regulation or FINRA employee who directly participated in the authorization of the complaint;

(D) an IEX Regulation or FINRA employee who directly participated in an examination, investigation, prosecution, or litigation related to a specific disciplinary proceeding, and a district director or department head to whom such employee reports;

(E) the Head of Market Regulation; or

(F) an employee of the Department of Market Regulation who reports, directly or indirectly, to the Head of Market Regulation;

(2) a proceeding under IEX Rule Series 9.520 or 9.550:

(A) the head of the department or office that issues the notice or is designated as a Party;

(B) an IEX Regulation or FINRA employee who reports, directly or indirectly, to such person;

(C) an IEX Regulation or FINRA employee who directly participated in the authorization or initiation of the proceeding; or

(D) an IEX Regulation or FINRA employee who directly participated in an examination, investigation, prosecution, or litigation related to a specific proceeding, and a district director or department head to whom such employee reports; or

(3) a proceeding under IEX Rule Series 9.600:

(A) the head of the department or office that issues the decision granting or denying an exemption or is designated as a Party;

(B) an IEX Regulation or FINRA employee who reports, directly or indirectly, to such person;

(C) an IEX Regulation or FINRA employee who directly participated in the exemption proceeding; or

(D) an IEX Regulation or FINRA employee who directly participated in an examination, investigation, prosecution, or litigation related to a specific exemption proceeding, and a district director or department head to whom such employee reports.

(s) "Office of Disciplinary Affairs"

The term "Office of Disciplinary Affairs" means the Office of Disciplinary Affairs for FINRA.

(t) "Panelist"

The term "Panelist," as used in IEX Rule 9.200, means a member of a Hearing Panel or Extended Hearing Panel who is not a Hearing Officer.

(u) "Party"

With respect to a particular proceeding, the term "Party" means:

(1) in IEX Rule Series 9.200, 9.300, and 9.800, the Department of Enforcement or the Department of Market Regulation or a Respondent;

(2) in IEX Rule Series 9.520, the Department of Member Regulation or a Member that is the subject of a notice or files an application under IEX Rule 9.522;

(3) in IEX Rule Series 9.550, the IEX department or office that issued the notice or, if another IEX department or office is named as the party handling the matter on behalf of the issuing department or office, the IEX department or office that is so designated or a Member or person that is the subject of a notice under IEX Rule Series 9.550; or

(4) in IEX Rule Series 9.600, the department or office designated under IEX Rule 9.620 to issue the decision granting or denying an exemption or a Member that seeks the exemption under IEX Rule 9.610.

(v) "Respondent"

The term "Respondent" means, in a disciplinary proceeding governed by Rule Series 9.200 and in an appeal or review governed by Rule Series 9.300, an IEX Member or associated person against whom a complaint is issued.

Rule Series 9.130. Service; Filing of Papers

Rule 9.131. Service of Complaints

(a) Service on Each Party

Except as provided below, a complaint shall be served on each Party by the Department of Enforcement or the Department of Market Regulation. When counsel for a Party or other person authorized to represent others under IEX Rule 9.141 agrees to accept service of the complaint, then the Department of Enforcement or Department of Market Regulation may serve the complaint on counsel for a Party or other person authorized to represent others under IEX Rule 9.141 as specified in IEX Rule 9.134(a).

(b) How Served

A complaint or document initiating a proceeding shall be served pursuant to IEX Rule 9.134.

(c) Filing Requirement

A complaint that is served upon a Respondent and each document initiating a proceeding that is served upon a Party, along with the certificate of service executed in connection with the service upon such Respondent or Party, shall be filed with FINRA (as regulatory services provider for IEX) pursuant to IEX Rule 9.135.

Rule 9.132. Service of Orders, Notices, and Decisions by Adjudicator

(a) Service on Each Party

An order, notice, or decision issued by a Hearing Officer, Hearing Panel, or Extended Hearing Panel under IEX Rule Series 9.200 shall be served on each Party, or each Party's counsel, or other person the Party designates to represent him or her in a proceeding by the Office of Hearing Officers. An order, notice, or decision issued by any other Adjudicator shall be served by that Adjudicator.

(b) How Served

An order, notice, or decision shall be served pursuant to IEX Rule 9.134 or by electronic mail. Service by electronic mail shall be deemed complete upon sending the order, notice, or decision.

(c) Service Upon Counsel or Other Person Acting In Representative Capacity

Whenever service is required to be made upon a person represented by counsel or a representative who has filed a notice of appearance pursuant to IEX Rule 9.141, service shall be made upon counsel or the representative. The Adjudicator, at its discretion, may also order that service be made upon the person.

(Amended by SR-IEX-2023-04 eff. Apr. 3, 2023).

Rule 9.133. Service of Papers Other Than Complaints, Orders, Notices, or Decisions

(a) Service on Each Party

Other than a complaint, order, notice, or decision, any paper, including an answer and a motion, shall be served on each Party by the Party on whose behalf such paper was prepared or by his or her counsel or representative.

(b) How Served

The Parties shall serve documents by electronic mail, unless an alternative method of service is ordered by the Adjudicator. Service by electronic mail shall be deemed complete upon sending of the document(s).

(c) Filing Requirement

The paper that is served upon a Party, along with the certificate of service executed in connection with the service upon such Party, shall be filed with FINRA (as regulatory service provider for IEX) pursuant to IEX Rule 9.135.

(d) Service upon Counsel or Other Person Acting in Representative Capacity

Whenever service is required to be made upon a person represented by counsel or a representative who has filed a notice of appearance pursuant to IEX Rule 9.141, service shall be made upon counsel or the representative. The Adjudicator, at its discretion, may also order that service be made upon the person.

(Amended by SR-IEX-2023-04 eff. Apr. 3, 2023).

Rule 9.134. Methods of, Procedures for Service

(a) Methods

The following methods of service are permitted:

(1) Personal Service

Personal service may be accomplished by handing a copy of the papers to the person required to be served; leaving a copy at the person's office with an employee or other person in charge thereof; or leaving a copy at the person's dwelling or usual place of abode with a person of suitable age and discretion then residing therein;

(2) Service by Mail by U.S. Postal Service

Service by mail may be accomplished by mailing the papers through the U.S. Postal Service by using first class mail, first class certified mail, first class registered mail, or Express Mail, except that a complaint shall be served upon a Respondent by U.S. Postal Service first class certified mail or Express Mail; or

(3) Service by Courier

Service by courier may be accomplished by sending the papers through a courier service that generates a written confirmation of receipt or of attempts at delivery.

(b) Procedures

(1) Service on Natural Persons

Papers served on a natural person may be served at the natural person's residential address, as reflected in the Central Registration Depository, if applicable. When a Party or other person responsible for serving such person has actual knowledge that the natural person's Central Registration Depository address is out of date, duplicate copies shall be served on the natural person at the natural person's last known residential address and the business address in the Central Registration Depository of the entity with which the natural person is employed or affiliated. Papers may also be served at the business address of the entity with which the natural person is employed or affiliated, as reflected in the Central Registration Depository, or at a business address, such as a branch office, at which the natural person is employed, or at which the natural person is physically present during a normal business day. The Hearing Officer may waive the requirement of serving documents (other than complaints) at the addresses listed in the Central Registration Depository if there is evidence that these addresses are no longer valid, and there is a more current address available. If a natural person is represented by counsel or a representative, papers served on the natural person, excluding a complaint or a document initiating a proceeding, shall be served on the counsel or representative.

(2) Service on Entities

Papers served on an entity shall be made by service on an officer, partner of a partnership, managing or general agent, a contact employee as set forth on Form BD, or any other agent authorized by appointment or by law to accept service. Such papers shall be served at the entity's business address as reflected in the Central Registration Depository, if applicable; provided, however, that when the Party or other person responsible for serving such entity has actual knowledge that an entity's Central Registration Depository address is out of date, duplicate copies shall be served at the entity's last known address. If an entity is represented by counsel or a representative, papers served on such entity, excluding a complaint or document initiating a proceeding, shall be served on such counsel or representative.

(3) When Service Is Complete

Personal service and service by courier or Express Mail are complete upon delivery. Service by mail is complete upon mailing.

Rule 9.135. Filing of Papers with Adjudicator: Procedure

(a) When to File

Papers that are required to be filed with an Adjudicator within a time limit specified by the Adjudicator or within a time limit set forth in the IEX Rules shall be deemed timely if received within the time limit, unless otherwise ordered by an Adjudicator, except complaints, which shall be deemed timely filed upon mailing, delivery by electronic mail, or delivery to the Office of Hearing Officers. Other papers that are required to be filed shall be deemed timely if, on the same day such papers are served, they are also hand-delivered, mailed via U.S. Postal service first class mail, delivered by electronic mail, or sent by courier to FINRA.

(b) Where to File

All papers required to be filed pursuant to IEX Rule Series 9.200 and any notice of appeal or review required to be filed pursuant to IEX Rule Series 9.300 shall be filed with the Office of Hearing Officers. All other papers required to be filed pursuant to IEX Rule Series 9.000 shall be filed where specified in the Rule, or if not specified in the Rule, with the Adjudicator, unless the Adjudicator orders otherwise.

(c) Certificate of Service

Papers filed with an Adjudicator or the Office of Hearing Officers shall be accompanied by a certificate of service stating the name of the person or persons served, the date on which service is made, the method of service and, if service is not made in person, the address to which service is made. Such certificate shall be executed by the person who made the service. If the method of service on a Party is different from the method of service on any other Party, the certificate shall state why such different method was used.

(d) Party Contact Information

At the first occurrence of a Party filing a Complaint, Answer, or other paper, the Party must include a mailing address and electronic mail address at which notices, orders, pleadings, and other communications required to be served upon or furnished to the Party may be sent. The Parties must serve any change of mailing address or electronic mail address during a proceeding on all other Parties and file this information with the Adjudicator.

(Amended by SR-IEX-2023-04 eff. Apr. 3, 2023).

Rule 9.136. Filing of Papers: Form

(a) Specifications

Papers filed in connection with any proceeding under IEX Rule Series 9.200 and 9.300 shall:

(1) be on unglazed white paper measuring 8 ½ x 11 inches, but to the extent that the reduction of a larger document would render it illegible, such document may be filed on larger paper;

(2) be typewritten or printed in either 10 or 12 point typeface or otherwise reproduced by a process that produces a permanent and plainly legible copy;

(3) include at the head of the paper, or on a title page, the title of the proceeding, the names of the Parties, the subject of the particular paper or pleading, and the number assigned to the proceeding;

(4) be paginated at the bottom of the page and with all margins at least one inch wide;

(5) be double-spaced, with single-spaced footnotes and single-spaced indented quotations; and

(6) be stapled, clipped, or otherwise fastened in the upper left corner, but not bound.

(b) Signature Required

All papers shall be signed and dated pursuant to IEX Rule 9.137.

(c) Number of Copies

A signed original and one copy of all papers shall be filed with the Adjudicator unless otherwise ordered.

(d) Form of Briefs

A brief containing more than ten pages shall include a table of contents, and an alphabetized table of cases, statutes, and other authorities cited, with references to the pages of the brief wherein they are cited.

(e) Scandalous or Impertinent Matter

Any scandalous or impertinent matter contained in any brief, pleading, or other filing, or in connection with any oral presentation in a proceeding may be stricken on order of an Adjudicator. Any matter stricken by an Adjudicator by this IEX Rule shall be marked "Stricken" and preserved. Matters stricken in a proceeding governed by Rule Series 9.200 shall be preserved under IEX Rule 9.267(b).

Rule 9.137. Filing of Papers: Signature Requirement and Effect

(a) General Requirements

Following the issuance of a complaint in a disciplinary proceeding, or the initiation of another proceeding, every filing of a Party represented by counsel or a representative shall be signed by at least one counsel or representative of record in his or her name and shall state the business address and telephone number of such counsel or representative. A Party who appears on his or her own behalf shall sign his or her individual name and state his or her address and telephone number on every filing.

(b) Effect of Signature

(1) The signature of a counsel, representative, or Party shall constitute a certification that:

(A) the person signing the filing has read the filing;

(B) to the best of his or her knowledge, information, and belief, formed after reasonable inquiry, the filing is well grounded in fact and is warranted by existing law or a good faith argument for the extension, modification, or reversal of existing law; and

(C) the filing is not made for any improper purpose, such as to harass, cause unnecessary delay, or needlessly to increase the cost of adjudication.

(2) If a filing is not signed, an Adjudicator may strike the filing, unless it is signed promptly after the omission is called to the attention of the person making the filing.

Rule 9.138. Computation of Time

(a) Calendar Day

In Chapter 9 of the IEX Rules, "day" means calendar day.

(b) Formula

In computing any period of time, the day of the act, event, or default from which the period of time designated in the Code begins to run shall not be included. The last day of the period so computed shall be included, unless it is a Saturday, Sunday, or Federal holiday, in which event the period runs until the end of the next day that is not a Saturday, Sunday, or Federal holiday. Intermediate Saturdays, Sundays, and Federal holidays shall be excluded from the computation when the period prescribed is ten days or less, not including any additional time for service by mail allowed by paragraph (c).

(c) Additional Time For Service by Mail

(d) If service is made by U.S. Postal Service first class, certified, or registered mail, three days shall be added to the prescribed period for response.

Rule Series 9.140. PROCEEDINGS

Rule 9.141. Appearance and Practice; Notice of Appearance

(a) Representing Oneself

In any proceeding, a person may appear on his or her own behalf. When a person first makes any filing or otherwise appears on his or her own behalf before an Adjudicator in a proceeding, he or she shall file with the Adjudicator, or otherwise state on the record, and keep current, an address at which any notice or other written communication required to be served upon or furnished to him or her may be sent and a telephone number where he or she may be reached during business hours.

(b) Representing Others

A person shall not be represented before an Adjudicator, except as provided in this paragraph 9.141(b). Subject to the prohibitions of IEX Rules 9.150 and 9.280, a person may be represented in any proceeding by an attorney at law admitted to practice before the highest court of any state of the U.S., the District of Columbia, or any commonwealth, territory, or possession of the United States. A member of a partnership may represent the partnership; and a bona fide officer of a corporation, trust, or association may represent the corporation, trust, or association. When a person first makes any filing or otherwise appears in a representative capacity before an Adjudicator in a proceeding, that person shall file with the Adjudicator, and keep current a Notice of Appearance. The Notice of Appearance is a written notice stating the name of the proceeding; the representative's name, business address, and telephone number; and the name and address of the person or persons represented. Any individual appearing or practicing in a representative capacity before an Adjudicator may be required to file a power of attorney with the Adjudicator showing his or her authority to act in such capacity.

Rule 9.142. Withdrawal by Attorney or Representative

An attorney for a Party or other person authorized to represent others by IEX Rule 9.141 seeking to withdraw his or her appearance shall file a motion to withdraw. The motion shall set forth the good cause for withdrawal and state the name, current address, and telephone number of the Party no longer being represented.

Rule 9.143. Ex Parte Communications

(a) Prohibited Communications

Unless on notice and opportunity for all Parties to participate, or to the extent required for the disposition of ex parte matters as authorized by Chapter 9 of IEX Rules:

(1) No Party, or counsel to or representative of a Party, or Interested Staff shall make or knowingly cause to be made an ex parte communication relevant to the merits of a proceeding to an Adjudicator who is participating in a decision with respect to that proceeding, or to an IEX employee who is participating or advising in the decision of an Adjudicator with respect to that proceeding; and

(2) No Adjudicator who is participating in a decision with respect to a proceeding, or no IEX employee who is participating or advising in the decision of an Adjudicator with respect to a proceeding shall make or knowingly cause to be made to a Party, a counsel or representative to a Party, or Interested Staff an ex parte communication relevant to the merits of that proceeding.

(b) Disclosure of Prohibited Communication

An Adjudicator who is participating in a decision with respect to a proceeding, or an IEX employee who is participating or advising in the decision of an Adjudicator, who receives, makes, or knowingly causes to be made a communication prohibited by this IEX Rule shall place in the record of the proceeding:

(1) all such written communications;

(2) memoranda stating the substance of all such oral communications; and

(3) all written responses and memoranda stating the substance of all oral responses to all such communications.

(c) Remedies

Upon receipt of a communication made or knowingly caused to be made by any Party, any counsel or representative to a Party, or any Interested Staff in violation of paragraph (a)(1) above, IEX or an Adjudicator may, to the extent consistent with the interests of justice, the policies underlying the Exchange Act, and the IEX Rules, order the Party responsible for the communication, or the Party who may benefit from the ex parte communication made, to show cause why the Party's claim or interest in the proceeding should not be dismissed, denied, disregarded, or otherwise adversely affected by reason of such ex parte communication. All participants to a proceeding may respond to any allegations or contentions contained in a prohibited ex parte communication placed in the record. Such responses shall be placed in the record.

(d) Timing

In a disciplinary proceeding governed by IEX Rule Series 9.200 and 9.300, the prohibitions of this IEX Rule 9.143 shall apply beginning with the authorization of a complaint as provided in IEX Rule 9.211, unless the person responsible for the communication has knowledge that the complaint shall be authorized, in which case the prohibitions shall apply beginning at the time of his or her acquisition of such knowledge.

(e) Waiver of Ex Parte Prohibition

(1) Offer of Settlement

If a Respondent submits an offer of settlement under IEX Rule 9.270, the submission constitutes a waiver by such Respondent of any claim that the prohibitions against ex parte communications were violated by a person or body in connection with such person's or body's participation in discussions regarding the terms and conditions of the offer of settlement and the order of acceptance, or other consideration of the offer of settlement and order of acceptance, including acceptance or rejection of such offer of settlement and order of acceptance.

(2) Letter of Acceptance, Waiver, and Consent

If a Member or a person associated with a Member submits an executed letter of acceptance, waiver, and consent under IEX Rule 9.216(a), the submission constitutes a waiver by such Member or person associated with a Member of any claim that the prohibitions against ex parte communications were violated by a person or body in connection with such person's or body's participation in discussions regarding the terms and conditions of the letter of acceptance, waiver, and consent, or other consideration of the letter of acceptance, waiver, and consent, including acceptance or rejection of such letter of acceptance, waiver, and consent.

(3) Minor Rule Violation Plan Letter

If a Member or a person associated with a Member submits an executed minor rule violation plan letter under IEX Rule 9.216(b), the submission constitutes a waiver by such Member or person associated with a Member of any claim that the prohibitions against ex parte communications by a person or body in connection with such person's or body's participation in discussions regarding the terms and conditions of the minor rule violation plan letter, or other consideration of the minor rule violation plan letter, including acceptance or rejection of such minor rule plan violation letter.

Rule 9.144. Separation of Functions

(a) Interested Staff

Except as counsel or a witness in a proceeding or as provided in IEX Rule 9.550, Interested Staff are prohibited from advising an Adjudicator regarding a decision or otherwise participating in a decision of an Adjudicator. An Adjudicator is prohibited from advising Interested Staff regarding a decision or otherwise participating in a decision of Interested Staff, including the decision to issue a complaint and a decision whether to appeal or cross-appeal a disciplinary proceeding to the IEX Appeals Committee.

(b) Separation of Adjudicators

A Hearing Officer, including the Chief Hearing Officer, or a Panelist of a Hearing Panel or an Extended Hearing Panel, is prohibited from participating in: a decision whether to issue a complaint pursuant to IEX Rule 9.211; a decision whether to appeal or cross-appeal a disciplinary proceeding to the IEX Appeals Committee pursuant to IEX Rule 9.311; and a discussion or decision relating to a call for review, a review, or an appeal pursuant IEX Rule Series 9.300. A Director is prohibited from participating in a discussion or a decision relating to the above referenced acts with the IEX Appeals Committee or the Adjudicators referenced above, except to the extent the Director is serving on the IEX Appeals Committee in such capacity.

(c) Waiver of Prohibitions of Separation of Functions

(1) Offer of Settlement

If a Respondent submits an offer of settlement under IEX Rule 9.270, the submission constitutes a waiver by such Respondent of any claim of violation of paragraph (a) or (b) of this IEX Rule 9.144 by a person or body in connection with such person's or body's participation in discussions regarding the terms and conditions of the offer of settlement and the order of acceptance, or other consideration of the offer of settlement and order of acceptance, including acceptance or rejection of such offer of settlement and order of acceptance.

(2) Letter of Acceptance, Waiver, and Consent

If a Member or a person associated with a Member submits an executed letter of acceptance, waiver, and consent under IEX Rule 9.216(a), the submission constitutes a waiver by such Member or person associated with a Member of any claim of violation of paragraph (a) or (b) of this IEX Rule 9.144 by a person or body in connection with such person's or body's participation in discussions regarding the terms and conditions of the letter of acceptance, waiver, and consent, or other consideration of the proposed letter of acceptance, waiver, and consent, including acceptance or rejection of such letter of acceptance, waiver, and consent.

(3) Minor Rule Violation Plan Letter

If a Member or a person associated with a Member submits an executed minor rule violation plan letter under IEX Rule 9.216(b), the submission constitutes a waiver by such Member or person associated with a Member of any claim of violation of paragraph (a) or (b) of this IEX Rule 9.144 by a person or body in connection with such person's or body's participation in discussions regarding the terms and conditions of the minor rule violation plan letter or other consideration of the minor rule violation plan letter, including acceptance or rejection of such minor rule violation plan letter.

Rule 9.145. Rules of Evidence; Official Notice

(a) Rules of Evidence

The formal rules of evidence shall not apply in a proceeding brought under the Rule 9.000 Series.

(b) Official Notice

In a proceeding governed by the Rule 9.000 Series, an Adjudicator may take official notice of such matters as might be judicially noticed by a court, or of other matters within the specialized knowledge of IEX as an expert body. Before an Adjudicator proposes to take official notice of a matter, it shall permit a Party the opportunity to oppose or otherwise comment upon the proposal to take official notice.

Rule 9.146. Motions

(a) General Requirement for Motions

A Party may make a written or oral motion, subject to limitations set forth below. A Party or other person may make a motion under IEX Rule 9.146(k), subject to limitations set forth below.

(b) Adjudicator May Require a Written Motion

If a Party makes an oral motion, an Adjudicator may order that such motion be set forth in writing, after considering the facts and circumstances, including whether:

(1) the hearing or conference in which the Party makes such motion is being recorded; and

(2) the opposing Parties shall be fully informed and shall have adequate notice and opportunity to respond to such motion.

(c) Specificity

All motions shall state the specific relief requested and the basis therefor.

(d) Time For Filing Opposition or Other Response to Motion

Unless otherwise ordered by an Adjudicator, any Party may file an opposition or other response to a written motion and the opposition or response shall be filed within 14 days after service of the motion. If no response is filed within the response period, the Party failing to respond shall be deemed to have waived any objection to the granting of the motion. A Party shall be afforded an opportunity to respond to an oral motion at the time the oral motion is made, unless the Adjudicator orders that the Party shall be granted additional time to respond.

(e) Oral Argument

An Adjudicator may allow oral argument on motions. Oral argument may take place in person or by telephone.

(f) Frivolous Motions

An Adjudicator may deny dilatory, repetitive, or frivolous motions without awaiting a response.

(g) No Stay

Unless otherwise ordered by an Adjudicator, the filing of a motion does not stay a proceeding.

(h) Reply

The moving Party shall have no right to reply to the opposition or other response of the other Parties unless an Adjudicator permits a reply to be filed. Unless otherwise ordered by an Adjudicator, a movant's reply submission shall be filed within five days after the Adjudicator serves the order granting the motion to file a reply or a Party serves the opposition or other response to which the Adjudicator previously ordered that a reply could be filed.

(i) Page Limit, Format Requirements

Unless otherwise ordered by an Adjudicator, submissions in support of or in opposition to motions shall not exceed ten double-spaced pages, including double-spaced footnotes, exclusive of pages containing any table of contents, table of authorities, or addenda.

(j) Disposition of Procedural Motions; Disposition of Motions for Summary Disposition

(1) In IEX Rule Series 9.200, a motion on a procedural matter may be decided by a Hearing Officer. A motion for summary disposition of a cause of action set forth in a complaint shall be decided by a majority vote of the Hearing Panel or, if applicable, the Extended Hearing Panel.

(2) In IEX Rule Series 9.300, a motion on a procedural matter may be decided by the Board.

(3) In IEX Rule Series 9.500, a motion shall be decided by an Adjudicator.

(k) Motion For Protective Order

(1) A Party, a person who is the owner, subject, or creator of a Document subject to production under IEX Rule 8.210 or any other IEX Rule that may be introduced as evidence in a disciplinary proceeding, or a witness who testifies at a hearing in a disciplinary proceeding may file a motion requesting a protective order to limit disclosure or prohibit from disclosure to other Parties, witnesses or other persons, except the Department of Enforcement and the Department of Market Regulation and IEX Regulation staff, Documents or testimony that contain confidential information. The motion shall include a general summary or extract of the Documents or testimony without revealing confidential details. If the movant seeks a protective order against disclosure to other Parties, copies of the Documents shall not be served on the other Parties. Unless the Documents are unavailable, the movant shall file for in camera inspection a sealed copy of the Documents for which the order is sought. If the movant is not a Party, the motion shall be served on each Party by the movant using a method in IEX Rule 9.134(a) and filed with the Adjudicator. A motion for a protective order shall be granted only upon a finding that disclosure of the Document or testimony would have a demonstrated adverse business effect on the movant or would involve an unreasonable breach of the movant's personal privacy.

(2) If a protective order is granted, the order shall set forth the restrictions on use and disclosure of such Document or testimony. An Adjudicator does not have the authority to issue a protective order that would limit in any manner the use by IEX staff of such Documents or testimony in IEX staff's performance of their regulatory and self-regulatory responsibilities and functions, including the transmittal, without restriction to the recipient, of such Documents or testimony to state, federal, or foreign regulatory authorities or other self-regulatory organizations. An Adjudicator does not have the authority to issue a protective order that purports to protect from production such Documents or testimony in the event that IEX is subject to a subpoena requiring that the Documents or testimony be produced.

(l) General

All motions, oppositions or responses, replies, and any other filings made in a proceeding shall comply with IEX Rules 9.133, 9.135, 9.136, and 9.137. The Parties shall serve documents by electronic mail, unless an alternative method of service is ordered by the Adjudicator. Service by electronic mail shall be deemed complete upon sending of the document(s).

(Amended by SR-IEX-2023-04 eff. Apr. 3, 2023).

Rule 9.147. Rulings on Procedural Matters

The Board, the IEX Appeals Committee, a Hearing Officer, or any other Adjudicator shall have full authority, except as otherwise provided by the Code, to rule on a procedural motion and any other procedural or administrative matter arising during the course of a proceeding conducted pursuant to the Code, subject to the rights of review or appeal provided by the Code.

Rule 9.148. Interlocutory Review

Except as provided in IEX Rule 9.280, there shall be no interlocutory review of a ruling or order issued by any Adjudicator in a proceeding governed by the Code. If an Adjudicator grants interlocutory review of a ruling or order, such review shall not stay a proceeding, except under IEX Rule 9.280 or as otherwise ordered by the Adjudicator.

Rule 9.149. Reserved.

Rule 9.150. Exclusion from IEX Rule Series 9.000 Proceeding

(a) Exclusion

An Adjudicator may exclude an attorney for a Party or other person authorized to represent others by IEX Rule 9.141 from acting as counsel, acting in any representative capacity, or otherwise appearing in a particular Chapter 9 of the IEX Rules proceeding for contemptuous conduct under IEX Rule 9.280 or unethical or improper professional conduct in that proceeding. If an attorney for a Party, or other person authorized to represent others by IEX Rule 9.141, is excluded from a disciplinary hearing or conference, or any portion thereof, such attorney or person may seek review by the IEX Appeals Committee of such exclusion under IEX Rule 9.280(c).

(b) Other Proceedings Not Precluded

Prohibiting an attorney or other person authorized to represent others by IEX Rule 9.141 from practicing or appearing in an IEX proceeding shall not preclude IEX or FINRA from initiating other proceedings against such person.

Rule 9.160. Recusal or Disqualification

No person shall participate as an Adjudicator in a matter governed by the Code as to which he or she has a conflict of interest or bias, or circumstances otherwise exist where his or her fairness might reasonably be questioned. In any such case the person shall recuse himself or herself, or shall be disqualified as follows:

(a) IEX Board

The Chair of the Board shall have authority to order the disqualification of a Director, and a majority of the Board excluding the Chair of the Board, shall have authority to order the disqualification of the Chair;

(b) The Chair of the IEX Appeals Committee shall have authority to order the disqualification of a member of the IEX Appeals Committee and a majority of the IEX Appeals Committee excluding the Chair, shall have authority to order the disqualification of the Chair.

(c) Reserved

(d) Reserved

(e) Panelist of Hearing Panel or Extended Hearing Panel

Disqualification of a Panelist of a Hearing Panel or Extended Hearing Panel appointed under IEX Rule Series 9.200 shall be governed by IEX Rule 9.234; and

(f) Hearing Officer

Disqualification of a Hearing Officer of a Hearing Panel or an Extended Hearing Panel shall be governed by IEX Rule 9.233.

Rule Series 9.200. DISCIPLINARY PROCEEDINGS

Rule Series 9.210. COMPLAINT AND ANSWER

Rule 9.211. Authorization of Complaint

(a) Complaint

(1) If the Department of Enforcement or the Department of Market Regulation believes that any IEX Member or associated person is violating or has violated any rule, regulation, or statutory provision, including the federal securities laws and the regulations thereunder, which IEX has jurisdiction to enforce, the Department of Enforcement or the Department of Market Regulation may request authorization from the Office of Disciplinary Affairs to issue a complaint.

(2) The Board shall have the authority to direct the Office of Disciplinary Affairs to authorize the Department of Enforcement or the Department of Market Regulation to issue a complaint when, on the basis of information and belief, IEX is of the opinion that any IEX Member or associated person is violating or has violated any rule, regulation, or statutory provision, including the federal securities laws and the regulations thereunder, which IEX has jurisdiction to enforce.

(b) Commencement of Disciplinary Proceeding

A disciplinary proceeding shall begin when the complaint is served and filed.

Rule 9.212. Complaint Issuance – Requirements, Service, Amendment, Withdrawal, and Docketing

(a) Form, Content, Notice, Docketing, and Service

(1) If a complaint is authorized, the Department of Enforcement or the Department of Market Regulation shall issue the complaint. Each complaint shall be in writing and signed by the Department of Enforcement or the Department of Market Regulation. The complaint shall specify in reasonable detail the conduct alleged to constitute the violative activity and the rule, regulation, or statutory provision the Respondent is alleged to be violating or to have violated. If the complaint consists of several causes of action, each cause shall be stated separately. Complaints shall be served by the Department of Enforcement or the Department of Market Regulation on each Party pursuant to IEX Rules 9.131 and 9.134, and filed at the time of service with the Office of Hearing Officers pursuant to IEX Rules 9.135, 9.136, and 9.137.

(2) At the time of issuance of a complaint, the Department of Enforcement or the Department of Market Regulation may propose:

(A) an appropriate location for the hearing; and

(B) if applicable, the Extended Hearing Panel as described in IEX Rule 9.231.

(b) Amendments to Complaint

The Department of Enforcement or the Department of Market Regulation may file and serve an amended complaint once as a matter of course at any time before the Respondent answers the complaint. Otherwise, upon motion by the Department of Enforcement or the Department of Market Regulation, the Hearing Officer may permit the Department of Enforcement or the Department of Market Regulation to amend the complaint, including amendments so as to make the complaint conform to the evidence presented, after considering whether the Department of Enforcement or the Department of Market Regulation has shown good cause for the amendment and whether any Respondent will suffer any unfair prejudice if the amendment is allowed. Amendments to complaints will be freely granted when justice so requires.

(c) Withdrawal of Complaint

With prior leave of the Hearing Officer, the Department of Enforcement or the Department of Market Regulation may withdraw a complaint. If the Department of Enforcement or the Department of Market Regulation withdraws the complaint before the earlier of (1) the Hearing Panel's or, if applicable, the Extended Hearing Panel's, issuance of a ruling on a motion for summary disposition, or (2) the start of the hearing on the merits, the withdrawal of the complaint by the Department of Enforcement or the Department of Market Regulation shall be without prejudice and the Department of Enforcement or the Department of Market Regulation shall be permitted to refile a case based on allegations concerning the same facts and circumstances that are set forth in the withdrawn complaint. If the Department of Enforcement or the Department of Market Regulation requests to withdraw such complaint after the occurrence of either of the two events set forth in (1) and (2) in this paragraph, the Hearing Panel or, if applicable, the Extended Hearing Panel, after considering the facts and circumstances of the request, shall determine whether the withdrawal shall be granted with prejudice.

(d) Disciplinary Proceeding Docket

The Office of Hearing Officers shall promptly record each complaint filed with it in IEX's disciplinary proceeding docket, and record in the disciplinary proceeding docket each event, filing, and change in the status of a disciplinary proceeding.

Rule 9.213. Assignment of Hearing Officer and Appointment of Panelists to Hearing Panel or Extended Hearing Panel

(a) Assignment of Hearing Officer

As soon as practicable after the Department of Enforcement or the Department of Market Regulation has filed a complaint with the Office of Hearing Officers, the Chief Hearing Officer shall assign a Hearing Officer to preside over the disciplinary proceeding and shall serve the Parties with notice of the Hearing Officer's assignment pursuant to IEX Rule 9.132.

(b) Appointment of Panelists

As soon as practicable after assigning a Hearing Officer to preside over a disciplinary proceeding, the Chief Hearing Officer shall appoint Panelists pursuant to IEX Rules 9.231 and 9.232 to a Hearing Panel or, if the Chief Hearing Officer determines that an Extended Hearing Panel should be appointed, to an Extended Hearing Panel.

Rule 9.214. Consolidation or Severance of Disciplinary Proceedings

(a) Consolidation Initiated by Chief Hearing Officer

The Chief Hearing Officer may order the consolidation of two or more disciplinary proceedings, upon his or her own motion, under circumstances where such consolidation would further the efficiency of the disciplinary process, and where the subject complaints involve common questions of law or fact, or one or more of the same Respondents. In determining whether to order the consolidation of such disciplinary proceedings, the Chief Hearing Officer shall consider:

(1) whether the same or similar evidence reasonably would be expected to be offered at each of the hearings;

(2) whether the proposed consolidation would conserve the time and resources of the Parties; and

(3) whether any unfair prejudice would be suffered by one or more Parties as a result of the consolidation.

If the Chief Hearing Officer proposes to consolidate two or more disciplinary proceedings, the Chief Hearing Officer shall serve upon the Parties notice of the proposed consolidation of disciplinary proceedings, together with a copy of each relevant complaint and any answer that has been filed thereto, pursuant to IEX Rule 9.132. The Parties shall have 14 days after service to file a response, stating any arguments in favor of or opposition to consolidation.

(b) Consolidation Initiated by a Party

A Party may file a motion to consolidate two or more disciplinary proceedings if such consolidation would further the efficiency of the disciplinary process, if the subject complaints involve common questions of law or fact or one or more of the same Respondents, or if one or more of the factors favoring consolidation set forth in paragraph (a) appear to be present. If a Party moves to consolidate two or more disciplinary proceedings, the Party shall file such motion, together with a copy of each relevant complaint and any answer thereto that has been filed, with the Office of Hearing Officers, and, pursuant to IEX Rule 9.133, shall serve the same upon the Parties in each of the cases proposed to be consolidated. The Parties shall have 14 days after service to file a response, stating any arguments in favor of or opposition to consolidation, and shall serve the response upon the Parties in each of the cases proposed to be consolidated. The Chief Hearing Officer shall issue an order approving or denying the request for consolidation.

(c) Impact on Hearing Panel or Extended Hearing Panel

If the Chief Hearing Officer issues an order to consolidate two or more disciplinary proceedings for which Hearing Panels or, if applicable, Extended Hearing Panels, have been appointed, the Chief Hearing Officer's order shall specify which Hearing Panel or, if applicable, Extended Hearing Panel, shall preside over the consolidated disciplinary proceeding, or shall appoint a new Hearing Panel or, if applicable, Extended Hearing Panel, to preside, based on the criteria set forth in IEX Rules 9.231 and 9.232.

(d) Severance Initiated by Chief Hearing Officer

The Chief Hearing Officer may order the severance of a disciplinary proceeding into two or more disciplinary proceedings, upon his or her own motion. In determining whether to order the severance of such disciplinary proceedings, the Chief Hearing Officer shall consider:

(1) whether the same or similar evidence reasonably would be expected to be offered at each of the possible hearings;

(2) whether the severance would conserve the time and resources of the Parties; and

(3) whether any unfair prejudice would be suffered by one or more Parties if the severance is (not) ordered.

If the Chief Hearing Officer proposes to sever a disciplinary proceeding, the Chief Hearing Officer shall serve upon the Parties notice of the proposed severance of disciplinary proceedings pursuant to IEX Rule 9.132. The Parties shall have 14 days after service to file a response, stating any arguments in favor of or opposition to severance.

(e) Severance Initiated by a Party

A Party may file a motion to sever a disciplinary proceeding if one or more of the factors favoring severance set forth in paragraph (d) above appear to be present. If a Party moves to sever a disciplinary proceeding, the Party shall file such motion with the Office of Hearing Officers, and, pursuant to IEX Rule 9.133, shall serve the same upon each of the parties to the action proposed to be severed. The Parties shall have 14 days after service to file a response, stating any arguments in favor of or opposition to severance, and shall serve the response upon the Parties in the case proposed to be severed. The Chief Hearing Officer shall issue an order approving or denying the request for severance.

(f) Impact on Hearing Panel or Extended Hearing Panel of Severance

If the Chief Hearing Officer issues an order to sever a disciplinary proceeding for which a Hearing Panel or, if applicable, Extended Hearing Panel, has been appointed, the Chief Hearing Officer's order shall specify whether the same Hearing Panel or, if applicable, Extended Hearing Panel, shall preside over the severed disciplinary proceedings, or shall appoint a new Hearing Panel(s) or, if applicable, Extended Hearing Panel(s), to preside over any or all of the severed proceedings, based on the criteria set forth in IEX Rules 9.231 and 9.232.

Rule 9.215. Answer to Complaint

(a) Form, Service, Notice

Pursuant to IEX Rule 9.133, each Respondent named in a complaint shall serve an answer to the complaint on all other Parties within 25 days after service of the complaint on such Respondent, and at the time of service shall file such answer with the Office of Hearing Officers pursuant to IEX Rules 9.135, 9.136 and 9.137. The Hearing Officer assigned

to a disciplinary proceeding pursuant to IEX Rule 9.213 may extend such period for good cause. Upon the receipt of a Respondent's answer, the Office of Hearing Officers shall promptly send written notice of the receipt of such answer to all Parties.

(b) Content, Affirmative Defenses

Unless otherwise ordered by the Hearing Officer, an answer shall specifically admit, deny, or state that the Respondent does not have and is unable to obtain sufficient information to admit or deny, each allegation in the complaint. When a Respondent intends to deny only part of an allegation, the Respondent shall specify so much of it as is admitted and deny only the remainder. A statement of lack of information shall be deemed a denial. Any allegation not denied in whole or in part shall be deemed admitted. Any affirmative defense shall be asserted in the answer.

(c) Motion for More Definite Statement

A Respondent may file with an answer a motion for a more definite statement of specified matters of fact or law to be considered or determined. Such motion shall state why each such matter of fact or law should be required to be made more definite. If the motion is granted, the order granting such motion shall set the periods for filing such a statement and any answer thereto.

(d) Amendments to Answer

Upon motion by a Respondent, the Hearing Officer may, after considering good cause shown by the Respondent and any unfair prejudice which may result to any other Party, permit an answer to be amended.

(e) Extension of Time to Answer Amended Complaint

If a complaint is amended pursuant to IEX Rule 9.212(b), the time for filing an answer or amended answer shall be the greater of the original time period within which the Respondent is required to respond, or 14 days after service of the amended complaint. If any Respondent has already filed an answer, such Respondent shall have 14 days after service of the amended complaint, unless otherwise ordered by the Hearing Officer, within which to file an amended answer.

(f) Failure to Answer, Default

If a Respondent does not file an answer or make any other filing or request related to the complaint with the Office of Hearing Officers within the time required, the Department of Enforcement or the Department of Market Regulation shall send a second notice to such Respondent requiring an answer within 14 days after service of the second notice. The second notice shall state that failure of the Respondent to reply within the period specified shall allow the Hearing Officer, in the exercise of his or her discretion, pursuant to IEX Rule 9.269 to: (1) treat as admitted by the Respondent the allegations in the complaint; and (2) issue a default decision against the Respondent. If the Respondent fails to file an answer with the Office of Hearing Officers within the time required, the Hearing Officer may issue a default decision against the Respondent pursuant to IEX Rule 9.269.

Rule 9.216. Acceptance, Waiver, and Consent; Plan Pursuant to Exchange Act Rule 19d-1(c)(2)

(a) Acceptance, Waiver, and Consent Procedures

(1) Notwithstanding Rule 9.211, if the Department of Enforcement or the Department of Market Regulation has reason to believe a violation has occurred and the Member or associated person does not dispute the violation, the Department of Enforcement or the Department of Market Regulation may prepare and request that the

Member or associated person execute a letter accepting a finding of violation, consenting to the imposition of sanctions, and agreeing to waive such Member's or associated person's right to a hearing before a Hearing Panel or, if applicable, an Extended Hearing Panel, and any right of appeal to the IEX Appeals Committee, the SEC, and the courts, or to otherwise challenge the validity of the letter, if the letter is accepted. The letter shall describe the act or practice engaged in or omitted, the rule, regulation, or statutory provision violated, and the sanction or sanctions to be imposed. Unless the letter states otherwise, the effective date of any sanction(s) imposed will be a date to be determined by IEX Regulation staff.

(2) (A) If a Member or person associated with a Member submits an executed letter of acceptance, waiver, and consent, by the submission such Member or person associated with a Member also waives:

(i) any right of such Member or person associated with a Member to claim bias or prejudgment of the General Counsel, CRO, the IEX Appeals Committee, or any Member of the IEX Appeals Committee, in connection with such person's or body's participation in discussions regarding the terms and conditions of the letter of acceptance, waiver, and consent, or other consideration of the letter of acceptance, waiver, and consent, including acceptance or rejection of such letter of acceptance, waiver, and consent; and

(ii) any right of such Member or person associated with a Member to claim that a person violated the ex parte prohibitions of IEX Rule 9.143 or the separation of functions prohibitions of IEX Rule 9.144, in connection with such person's or body's participation in discussions regarding the terms and conditions of the letter of acceptance, waiver, and consent, or other consideration of the letter of acceptance, waiver, and consent, including acceptance or rejection of such letter of acceptance, waiver, and consent.

(B) If a letter of acceptance, waiver, and consent is rejected, the Member or associated person shall be bound by the waivers made under paragraphs (a)(1) and (a)(2)(A) for conduct by persons or bodies occurring during the period beginning on the date the letter of acceptance, waiver, and consent was executed and submitted and ending upon the rejection of the letter of acceptance, waiver, and consent.

(3) If the Member or associated person executes the letter of acceptance, waiver, and consent, it shall be submitted to the Office of Disciplinary Affairs. The Office of Disciplinary Affairs may, on behalf of the IEX Board, accept or reject such letter.

(4) If the letter is accepted by the Office of Disciplinary Affairs, it shall be deemed final and shall constitute the complaint, answer, and decision in the matter. If the letter is rejected by the Office of Disciplinary Affairs, IEX, or FINRA on its behalf, may take any other appropriate disciplinary action with respect to the alleged violation or violations. If the letter is rejected, the Member or associated person shall not be prejudiced by the execution of the letter of acceptance, waiver, and consent under paragraph (a)(1) and the letter may not be introduced into evidence in connection with the determination of the issues set forth in any complaint or in any other proceeding.

(b) Procedure for Violation Under Plan Pursuant to Exchange Act Rule 19d-1(c)(2)

(1) Notwithstanding IEX Rule 9.211, IEX or FINRA on its behalf, may, subject to the requirements set forth in paragraphs (b)(2) through (b)(4) and in Exchange Act Rule 19d-1(c)(2), impose a fine (not to exceed $2,500)

and/or a censure on any Member or associated person with respect to any rule listed in IEX Rule 9.218. If the Department of Enforcement or the Department of Market Regulation has reason to believe a violation has occurred and if the Member or associated person does not dispute the violation, the Department of Enforcement or the Department of Market Regulation may prepare and request that the Member or associated person execute a minor rule violation plan letter accepting a finding of violation, consenting to the imposition of sanctions, and agreeing to waive such Member's or associated person's right to a hearing before a Hearing Panel or, if applicable, an Extended Hearing Panel, and any right of appeal to the IEX Appeals Committee, the Board, the SEC, and the courts, or to otherwise challenge the validity of the letter, if the letter is accepted. The letter shall describe the act or practice engaged in or omitted, the rule, regulation, or statutory provision violated, and the sanction or sanctions to be imposed. Unless the letter states otherwise, the effective date of any sanction(s) imposed will be a date to be determined by IEX Regulation staff.

(2) (A) If a Member or person associated with a Member submits an executed minor rule violation plan letter, by the submission such Member or person associated with a Member also waives:

(i) any right of such Member or person associated with a Member to claim bias or prejudgment of the General Counsel, CRO, the IEX Appeals Committee, or any Member of the IEX Appeals Committee, in connection with such person's or body's participation in discussions regarding the terms and conditions of the minor rule violation plan letter or other consideration of the minor rule violation plan letter, including acceptance or rejection of such minor rule violation plan letter; and

(ii) any right of such Member or person associated with a Member to claim that a person violated the ex parte prohibitions of IEX Rule 9.143 or the separation of functions prohibitions of IEX Rule 9.144, in connection with such person's or body's participation in discussions regarding the terms and conditions of the minor rule violation plan letter or other consideration of the minor rule violation plan letter, including acceptance or rejection of such minor rule violation plan letter.

(B) If a minor rule violation plan letter is rejected, the Member or person associated with a Member shall be bound by the waivers made under paragraphs (b)(1) and (b)(2)(A) for conduct by persons or bodies occurring during the period beginning on the date the minor rule violation plan letter was executed and submitted and ending upon the rejection of the minor rule violation plan letter.

(3) If the Member or associated person executes the minor rule violation plan letter, it shall be submitted to the Office of Disciplinary Affairs. The Office of Disciplinary Affairs may, on behalf of the IEX Board, accept or reject such letter.

(4) If the letter is accepted by the Office of Disciplinary Affairs, it shall be deemed final and IEX shall report the violation to the SEC as required by the SEC pursuant to a plan approved under Exchange Act Rule 19d-1(c)(2). If the letter is rejected by the Office of Disciplinary Affairs, IEX, or FINRA on its behalf, may take any other appropriate disciplinary action with respect to the alleged violation or violations. If the letter is rejected, the Member or associated person shall not be prejudiced by the execution of the minor rule violation plan letter under paragraph (b)(1) and the letter may not be introduced into evidence in connection with the determination of the issues set forth in any complaint or in any other proceeding.

Rule 9.217. Expedited Client Suspension Proceeding.

(a) Initiation of Proceeding

(1) Scope of Authority. With the prior written authorization of the CRO or such other senior officers as the CRO may designate, the Office of General Counsel or IEX Regulation (such departments generally referred to as the "Exchange" for purposes of this IEX Rule 9.217) may initiate an expedited suspension proceeding with respect to alleged violations of IEX Rule 10.270 (Disruptive Quoting and Trading Activity Prohibited).

(2) Service of Notice. The Exchange shall initiate the proceeding by serving a notice on a Member or associated person of a Member (hereinafter "Respondent"). The Exchange shall serve the notice by personal service or overnight commercial courier. The notice shall be effective upon service.

(3) Content of Notice. The notice shall state whether the Exchange is requesting the Respondent to be required to take action or to refrain from taking action. The notice shall be accompanied by:

(A) A declaration of facts, signed by a person with knowledge of the facts contained therein, that specifies the acts that constitute the alleged violation; and

(B) A proposed order that contains the required elements of a suspension order (except the date and hour of the order's issuance), which are set forth in sub-paragraph (d)(2) of this Rule).

(b) Appointment of Hearing Officers and Hearing Panel

(1) As soon as practicable after the Exchange initiates a suspension proceeding, a Hearing Panel shall be assigned in accordance with IEX Rules 9.231 and 9.232.

(2) If at any time a Hearing Officer determines that he or she has a conflict of interest or bias or circumstances otherwise exist where his or her fairness might reasonably be questioned, or if a Party files a motion to disqualify a Hearing Officer, the recusal and disqualification proceeding shall be conducted in accordance with IEX Rule Series 9.200 except that:

(A) a motion seeking disqualification of a Hearing Officer must be filed no later than 5 days after the announcement of the Hearing Panel; and

(B) the Exchange may file a brief in opposition to the Respondent's motion no later than 5 days after service thereof.

(c) Hearing

(1) When Held. The hearing shall be held not later than 15 days after service of the notice initiating the suspension proceeding, unless otherwise extended by the Chief Hearing Officer with the consent of the Parties for good cause shown. If a Hearing Officer is recused or disqualified, the hearing shall be held not later than five days after a replacement Hearing Officer is appointed.

(2) Service of Notice of Hearing. A notice of date, time, and place of the hearing shall be served on the Parties not later than seven days before the hearing, unless otherwise ordered by the Chief Hearing Officer. Service shall be made by personal service or overnight commercial courier. The notice shall be effective upon service.

(3) Authority of Hearing Officers. A Hearing Officer shall have authority to do all things necessary and appropriate to discharge his or her duties as set forth the IEX Rule Series 9.200.

(4) Witnesses. A person who is subject to the jurisdiction of the Exchange shall testify under oath or affirmation. The oath or affirmation shall be administered by a court reporter or a notary public.

(5) Additional Information. At any time during its consideration, the Hearing Panel may direct a Party to submit additional information. Any additional information submitted shall be provided to all Parties at least one day before the Hearing Panel renders its decision.

(6) Transcript. The hearing shall be recorded by a court reporter and a written transcript thereof shall be prepared. A transcript of the hearing shall be available to the Parties for purchase from the court reporter at prescribed rates. A witness may purchase a copy of the transcript of his or her own testimony from the court reporter at prescribed rates. Proposed corrections to the transcript may be submitted by affidavit to the Hearing Panel within a reasonable time determined by the Hearing Panel. Upon notice to all the Parties to the proceeding, the Hearing Panel may order corrections to the transcript as requested or sua sponte.

(7) Record and Evidence Not Admitted. The record shall consist of the notice initiating the proceeding, the declaration, and the proposed order described in subparagraph (a)(3) above; the transcript of the hearing; all evidence considered by the Hearing Panel; and any other document or item accepted into the record by the Hearing Panel. The Office of General Counsel shall be the custodian of the record. Proffered evidence that is not accepted into the record by the Hearing Panel shall be retained by the custodian of the record until the date when the Exchange's decision becomes final or, if applicable, upon the conclusion of any review by the SEC or the federal courts.

(8) Failure to Appear at Hearing. If a Respondent fails to appear at a hearing for which it has notice, the allegations in the notice and accompanying declaration may be deemed admitted, and the Hearing Panel may issue a suspension order without further proceedings. If the Exchange fails to appear at a hearing for which it has notice, the Hearing Panel may order that the suspension proceeding be dismissed.

(d) Issuance of Suspension Order by Hearing Panel

(1) Basis for Issuance. The Hearing Panel shall issue a written decision stating whether a suspension order shall be imposed. The Hearing Panel shall issue the decision not later than ten days after receipt of the hearing transcript, unless otherwise extended by the Chief Hearing Officer with the consent of the Parties for good cause shown. A suspension order shall be imposed if the Hearing Panel finds:

(A) by a preponderance of the evidence that the alleged violation specified in the notice has occurred; and

(B) that the violative conduct or continuation thereof is likely to result in significant market disruption or other significant harm to investors.

(2) Content, Scope, and Form of Order. A suspension order shall:

(A) be limited to: (i) ordering a Respondent to cease and desist from violating Rule 10.270, and/or (ii) ordering a Respondent to cease and desist from providing access to the Exchange to a client of Respondent that is causing violations of IEX Rule 10.270;

(B) set forth the alleged violation and the significant market disruption or other significant harm to investors that is likely to result without the issuance of an order;

(C) describe in reasonable detail the act or acts the Respondent is to take or refrain from taking and to suspend the Respondent unless and until such action is taken or refrained from; and

(D) include the date and hour of its issuance.

(3) Duration of Order. A suspension order shall remain effective and enforceable unless modified, set aside, limited, or revoked pursuant to paragraph (e), below.

(4) Service. The Hearing Panel's decision and any suspension order shall be served by personal service or overnight commercial courier. The suspension order shall be effective upon service.

(e) Review by Hearing Panel. At any time after the Respondent is served with a suspension order, a Party may apply to the Hearing Panel to have the order modified, set aside, limited, or revoked. The application shall set forth with specificity the facts that support the request. The Hearing Panel shall respond to the request in writing within ten days after receipt of the request, unless otherwise extended by the Chief Hearing Officer with the consent of the Parties for good cause shown. The Hearing Panel's response shall be served on the Respondent via personal service or overnight commercial courier. The filing of an application under this Rule shall not stay the effectiveness of the suspension order.

(f) Application to SEC for Review. Sanctions imposed pursuant to this Rule constitute final and immediately effective disciplinary sanctions imposed by the Exchange. The right to have any action under this Rule reviewed by the SEC is governed by Section 19 of the Exchange Act. The filing of an application for review shall not stay the effectiveness of a suspension order unless the SEC otherwise orders.

Rule 9.218. Violations Appropriate for Disposition Under Plan Pursuant to Exchange Act Rule 19d-1(c)(2)

(a) Rule 2.160(p) – Continuing Education Requirements.

(b) Rule 4.511 – General Requirements related to books and records requirements.

(c) Rule 4.540 – Furnishing of records.

(d) Rule 5.110 – Supervision.

(e) Rule 8.220 – Automated submission of trading data requested.

(f) Rule 11.151(a)(1) – Market Maker two-sided quotation requirement.

(g) Rule 11.290 – Short sales.

(h) Rule 11.310 – Locking or crossing quotations in NMS stocks.

(i) Rule 11.420 – Order audit trail system requirements.

(j) Rule Series 11.600 – Failure to comply with the Consolidated Audit Trail Compliance Rule requirements

Recommended Fine Schedule – Rule 9.218(a) – (i)

OCCURRENCE*	INDIVIDUAL	MEMBER
First time fined	$100	$500
Second time fined	$300	$1,000
Third time fined	$500	$2,500

For failures to comply with the Consolidated Audit Trail Compliance Rule requirements of the Rule Series 11.600, pursuant to Rule 9.218(j), the Exchange may impose a minor rule violation fine of up to $2,500.

* Within a "rolling" 12-month period.

(Amended by SR-IEX-2016-10 eff. August 8, 2016; amended by SR-IEX-2020-09 eff. June 25, 2020).

Rule 9.219. Reserved.

Rule Series 9.220. REQUEST FOR HEARING; EXTENSIONS OF TIME, POSTPONEMENTS, ADJOURNMENTS

Rule 9.221. Request for Hearing

(a) Respondent Request for Hearing.

With the filing of any Respondent's answer, such Respondent may:

(1) request a hearing;

(2) propose an appropriate location for the hearing; and

(3) propose, if applicable, an Extended Hearing Panel as described in IEX Rule 9.231.

If a Respondent requests a hearing, a hearing shall be granted. A Respondent who fails to request a hearing with the filing of his or her answer waives the right to a hearing unless a Hearing Officer, Hearing Panel, or, if applicable, an Extended Hearing Panel, grants, for good cause shown, a later filed motion by such Respondent requesting a hearing.

(b) Hearing Officer Order Requiring Hearing

In the absence of a request for a hearing from any Respondent, the Hearing Officer may order any complaint set down for hearing.

(c) Authority of Hearing Panel, Extended Hearing Panel to Order Hearing

If all Respondents waive a hearing, and the Hearing Officer does not order a hearing on his or her own motion, the Hearing Panel or, if applicable, the Extended Hearing Panel, may order a hearing or may consider the matter on the record, as defined in IEX Rule 9.267. If fewer than all Respondents waive a hearing, the Hearing Officer, the Hearing Panel, or, if applicable, the Extended Hearing Panel, may, in the exercise of its discretion, order that a hearing be held as to all Respondents. Alternatively, the Hearing Officer, the Hearing Panel, or, if applicable, the Extended Hearing Panel, may conduct a hearing as to only those Respondents who requested a hearing and consider the matter on the record as to those Respondents who waived a hearing.

(d) Notice of Hearing

The Hearing Officer shall issue a notice stating the date, time, and place of the hearing, and whether the hearing shall be held before a Hearing Panel or an Extended Hearing Panel, and shall serve such notice on the Parties at least 28 days before the hearing, unless:

(1) in the discretion of the Hearing Officer, he or she determines that extraordinary circumstances require a shorter notice period; or

(2) the Parties waive the notice period.

Rule 9.222. Extensions of Time, Postponements, and Adjournments

(a) Availability

At any time prior to the issuance of the decision of the Hearing Panel or, if applicable, the Extended Hearing Panel, the Hearing Officer may, for good cause shown, extend or shorten any time limits prescribed by the Code for the filing of any papers and may, consistent with paragraph (b), postpone or adjourn any hearing.

(b) Limitations on Postponements, Adjournments, and Extensions

A hearing shall begin at the time and place ordered, unless the Hearing Officer, for good cause shown, changes the place of the hearing, postpones the commencement of the hearing, or adjourns a convened hearing for a reasonable period of time, subject to the limitations in paragraph (b)(2) below.

(1) Additional Considerations

In considering a motion for the postponement of the start of a hearing or, adjournment once a hearing has begun, the Hearing Officer shall consider:

(A) the length of the proceeding to date;

(B) the number of postponements, adjournments, or extensions already granted;

(C) the stage of the proceedings at the time of the request;

(D) potential harm to the investing public if an extension of time, adjournment, or postponement is granted; and

(E) such other matters as justice may require.

(2) Time Limit

Postponements, adjournments, or extensions of time for filing papers shall not exceed 28 days unless the Hearing Officer states on the record or provides by written order the reasons a longer period is necessary.

Rule Series 9.230. APPOINTMENT OF HEARING PANEL, EXTENDED HEARING PANEL

Rule 9.231. Appointment by the Chief Hearing Officer of Hearing Panel or Extended Hearing Panel or Replacement Hearing Officer

(a) Appointment

The Chief Hearing Officer shall appoint a Hearing Panel or an Extended Hearing Panel to conduct the disciplinary proceeding and issue a decision.

(b) Hearing Panel

The Hearing Panel shall be composed of a Hearing Officer and two Panelists, except as provided in paragraph (e) of this IEX Rule 9.231 and in IEX Rule 9.234 (a), (c), (d), or (e). The Hearing Officer shall serve as the chair of the Hearing Panel. Each Panelist shall be associated with a Member of IEX or retired therefrom.

(c) Extended Hearing Panel

Upon consideration of the complexity of the issues involved, the probable length of the hearing, or other factors that the Chief Hearing Officer deems material, the Chief Hearing Officer may determine that a matter shall be designated an Extended Hearing, and that such matter shall be considered by an Extended Hearing Panel. The Extended Hearing Panel shall be composed of a Hearing Officer and two Panelists, except as provided in IEX Rule 9.234(a), (c), (d), or (e). The Hearing Officer will serve as the chair of the Extended Hearing Panel. The Panelists shall be associated with an IEX Member, or retired therefrom. The Chief Hearing Officer shall have discretion in consultation with IEX to compensate any or all Panelists of an Extended Hearing Panel at the rate then in effect for FINRA arbitrators as referenced in Chapter 12.

(d) Observer

A person who is qualified to serve as a Panelist may be designated by the Chief Hearing Officer to serve as an observer to a Hearing Panel or an Extended Hearing Panel. If the Chief Hearing Officer designates more than two people to serve as observers to a Hearing Panel or an Extended Hearing Panel, the Chief Hearing Officer shall obtain the consent of the Parties. An observer may attend any hearing of a disciplinary proceeding and observe the proceeding, but may not vote or participate in any other manner in the hearing or the deliberations of the Hearing Panel or the Extended Hearing Panel, or participate in the administration of the disciplinary proceeding.

(e) Appointment of Replacement Hearing Officer

In the event that a Hearing Officer withdraws, is incapacitated, or otherwise is unable to continue service after being appointed, the Chief Hearing Officer shall appoint a replacement Hearing Officer. To ensure fairness to the parties and expedite completion of the proceeding when a replacement Hearing Officer is appointed after the hearing has commenced, the replacement Hearing Officer has discretion to exercise the following powers:

(1) Allow the Hearing Panelists to resolve the issues in the proceeding and issue a decision without the participation of the replacement Hearing Officer in the decision. The replacement Hearing Officer may advise the Hearing Panelists regarding legal issues, and shall exercise the powers of the Hearing Officer under IEX Rule 9.235(a), including preparing and signing the decision on behalf of the Hearing Panel, in accordance with IEX Rule 9.268; or

(2) Certify familiarity with the record and participate in the resolution of the issues in the case and in the issuance of the decision. In exercising this power, the replacement Hearing Officer may recall any witness before the Hearing Panel.

Rule 9.232. Criteria for Selection of Panelists and Replacement Panelists

(a) Each Panelist shall be a person of integrity and judgment and, other than the Hearing Officer, shall be a Member of the IEX hearing board as provided in paragraph (b). At least one Panelist shall be engaged in securities activities differing from that of the Respondent, or, if retired, was so engaged in differing activities at the time of retirement.

(b) The Chairman of the Exchange Board of Directors, subject to the approval of the Board, shall from time to time appoint a hearing board to be composed of such number of persons associated with an IEX Member or retired therefrom, who are not members of the Board. The members of the hearing board shall be appointed annually and shall serve at the pleasure of the Board.

(c) Criteria for Appointment of a Panelist

The Chief Hearing Officer shall select Panelists from the current members of the IEX hearing board based upon the following criteria:

(1) expertise;

(2) the absence of any conflict of interest or bias, and any appearance thereof;

(3) availability; and,

(4) the frequency with which a person has served as a Panelist on a Hearing Panel or an Extended Hearing Panel during the past two years, favoring the selection of a person as a Panelist who has never served or served infrequently as a Panelist during the period.

Rule 9.233. Hearing Panel or Extended Hearing Panel: Recusal and Disqualification of Hearing Officers

(a) Recusal, Withdrawal of Hearing Officer

If at any time a Hearing Officer determines that he or she has a conflict of interest or bias or circumstances otherwise exist where his or her fairness might reasonably be questioned, the Hearing Officer shall notify the Chief Hearing Officer and the Chief Hearing Officer shall issue and serve on the Parties a notice stating that the Hearing Officer has withdrawn from the matter. In the event that a Hearing Officer withdraws, is incapacitated, or otherwise is unable to continue service after being appointed, the Chief Hearing Officer shall appoint a replacement Hearing Officer. In such a case, the replacement Hearing Officer shall proceed according to IEX Rule 9.231(e).

(b) Motion for Disqualification

A Party may move for the disqualification of a Hearing Officer. A motion shall be based upon a reasonable, good faith belief that a conflict of interest or bias exists or circumstances otherwise exist where the Hearing Officer's fairness might reasonably be questioned, and shall be accompanied by an affidavit setting forth in detail the facts alleged to constitute grounds for disqualification, and the dates on which the Party learned of those facts. Such motions shall be filed not later than 15 days after the later of:

(1) when the Party learned of the facts believed to constitute the disqualification; or

(2) when the Party was notified of the assignment of the Hearing Officer.

(c) Disposition of Disqualification Motion

A motion for disqualification of a Hearing Officer shall be decided by the Chief Hearing Officer who shall promptly investigate whether disqualification is required and issue a written ruling on the motion. In the event of a disqualification of the Hearing Officer, the Chief Hearing Officer shall appoint a replacement Hearing Officer.

Rule 9.234. Hearing Panel or Extended Hearing Panel: Recusal and Disqualification of Panelists

(a) Recusal, Withdrawal of Panelist

If at any time a Panelist of a Hearing Panel or an Extended Hearing Panel determines that he or she has a conflict of interest or bias or circumstances otherwise exist where his or her fairness might reasonably be questioned, the Panelist shall notify the Hearing Officer and the Hearing Officer shall issue and serve on the Parties a notice stating that the Panelist has withdrawn from the matter. In the event that a Panelist withdraws, is incapacitated, or otherwise is unable to continue service after being appointed, the Chief Hearing Officer may, in the exercise of discretion, determine whether to appoint a replacement Panelist. In the event that both Panelists withdraw, are incapacitated, or otherwise are unable to continue service after being appointed, the Chief Hearing Officer shall appoint two replacement Panelists.

(b) Disqualification: Motion of Party; Order of Chief Hearing Officer

(1) A Party may file a motion to disqualify a Panelist of a Hearing Panel or an Extended Hearing Panel. A motion shall be based upon a reasonable, good faith belief that a conflict of interest or bias exists or circumstances otherwise exist where the Panelist's fairness might reasonably be questioned, and shall be accompanied by an affidavit setting forth in detail the facts alleged to constitute grounds for disqualification, and the dates on which the Party learned of those facts.

(2) Such motions shall be filed not later than 15 days after the later of:

(A) when the Party learned of the facts believed to constitute the disqualification; or

(B) when the Party was notified of the appointment of the Panelist.

(3) The Chief Hearing Officer may order the disqualification of a Panelist of a Hearing Panel or an Extended Hearing Panel if the Chief Hearing Officer determines that a conflict of interest or bias exists or circumstances otherwise

exist where the Panelist's fairness might reasonably be questioned, and shall state the facts constituting the grounds for disqualification.

(c) Disposition of Disqualification Motion: Challenge to Single Member of Hearing Panel

If a Party files a motion to disqualify a Panelist of a Hearing Panel or an Extended Hearing Panel, the Hearing Officer shall promptly investigate whether disqualification is required and shall issue a written ruling on the motion. In the event a Panelist is disqualified, the Chief Hearing Officer may, in the exercise of discretion, appoint a replacement Panelist.

(d) Disposition of Disqualification Motion: Challenge to Both Panelists of Hearing Panel or Extended Hearing Panel

If a Party files a motion to disqualify both Panelists of a Hearing Panel or an Extended Hearing Panel, the Hearing Officer shall promptly investigate whether disqualification is required and shall issue a written ruling on the motion. In the event one Panelist is disqualified, the Chief Hearing Officer may, in the exercise of discretion, appoint a replacement Panelist. In the event both Panelists are disqualified, the Chief Hearing Officer shall promptly appoint two persons as replacement Panelists.

(e) Disposition of Disqualification Motion: Challenge to Both Panelists of Hearing Panel or Extended Hearing Panel and Hearing Officer

If a Party files a motion to disqualify both Panelists of a Hearing Panel or an Extended Hearing Panel, and the Hearing Officer, the Chief Hearing Officer shall promptly investigate whether disqualification is required and shall issue a written ruling on the motion. In the event a Panelist is disqualified, the Chief Hearing Officer may, in the exercise of discretion, appoint a replacement Panelist. In the event both Panelists are disqualified, the Chief Hearing Officer shall promptly appoint two persons as replacement Panelists. In the event a Hearing Officer and a Panelist are disqualified, the Chief Hearing Officer shall promptly appoint a replacement Hearing Officer. In the event both Panelists and the Hearing Officer are disqualified, the Chief Hearing Officer shall promptly appoint a replacement Hearing Officer and two persons as replacement Panelists.

(f) Criteria for Replacement Panelist

If the Chief Hearing Officer appoints a replacement Panelist by operation of this IEX Rule 9.234, the Chief Hearing Officer shall do so using the criteria set forth in IEX Rule 9.232.

Rule 9.235. Hearing Officer Authority

(a) Hearing Officer Authority

The Hearing Officer shall be selected by the Chief Hearing Officer and shall have authority to do all things necessary and appropriate to discharge his or her duties. In addition to the powers exercised by all members of the Hearing Panel or, if applicable, the Extended Hearing Panel, the powers of the Hearing Officer include, but are not limited to:

(1) holding pre-hearing and other conferences and requiring the attendance at any such conference of at least one representative of each Party who has authority to negotiate the resolution of issues in controversy;

(2) regulating the course of the hearing;

(3) ordering the Parties to present oral arguments at any stage of the disciplinary proceeding;

(4) resolving any and all procedural and evidentiary matters, discovery requests, and other non-dispositive motions, subject to any limitations set forth elsewhere in the Code;

(5) reopening any hearing, upon notice to all Parties, prior to the issuance of the decision of the Hearing Panel or, if applicable, the Extended Hearing Panel;

(6) creating and maintaining the official record of the disciplinary proceeding; and

(7) drafting a decision that represents the views of the majority of the Hearing Panel or, if applicable, the Extended Hearing Panel.

(b) Authority in the Absence of Hearing Officer

If the Hearing Officer appointed to a case is temporarily unavailable or unable for any reason to discharge his or her duties in a particular proceeding under conditions not requiring the appointment of a replacement Hearing Officer, the Chief Hearing Officer or the Deputy Chief Hearing Officer in his or her discretion may exercise the necessary authority in the same manner as if he or she had been appointed Hearing Officer in the particular proceeding.

Rule Series 9.240. PRE-HEARING CONFERENCE AND SUBMISSION

Rule 9.241. Pre-hearing Conference

(a) Purposes

The purposes of a pre-hearing conference include, but are not limited to:

(1) expediting the disposition of the proceeding;

(2) establishing procedures to manage the proceeding efficiently; and

(3) improving the quality of the hearing through more thorough preparation.

(b) Procedure

On his or her own motion or at the request of a Party, the Hearing Officer may, in his or her discretion, order counsel or any Party to meet for a pre-hearing conference. Such conferences also may be held with one or more persons participating by telephone or other remote means.

(c) Subjects to be Discussed

At a pre-hearing conference, the Hearing Officer shall schedule an expedited proceeding as required by IEX Rule 9.290, and may consider and take action with respect to any or all of the following:

(1) simplification and clarification of the issues;

(2) exchange of witness and exhibit lists and copies of exhibits;

(3) stipulations, admissions of fact, and stipulations concerning the contents, authenticity, or admissibility into evidence of documents;

(4) matters of which official notice may be taken;

(5) the schedule for exchanging pre-hearing motions or briefs, if any;

(6) the method of service and filing of papers by the Parties;

(7) determination of hearing dates;

(8) amendments to the complaint or answers thereto;

(9) production of documents as set forth in IEX Rule 9.251;

(10) designation of relevant portions of transcripts from investigative testimony or other proceedings and the inclusion of an index for such testimony; and

(11) such other matters as may aid in the orderly and expeditious disposition of the proceeding.

(d) Scheduling

An initial pre-hearing conference, unless determined by the Hearing Officer to be unnecessary or premature, shall be held within 21 days after filing of an answer, or after the expiration of the second period provided for filing an answer as set forth in IEX Rule 9.215(f). When a complaint names multiple Respondents, the 21-day period shall commence from the later of (i) the date on which the last timely answer was filed, or (ii) if one or more Respondents have failed to answer, from the expiration of the second period provided for filing an answer under IEX Rule 9.215 (f).

(e) Pre-hearing Order

At or following the conclusion of any conference held pursuant to this IEX Rule, the Hearing Officer shall enter a written ruling or order that recites any agreements reached and any procedural determinations made by the Hearing Officer.

(f) Failure to Appear: Default

The Hearing Officer may issue a default decision, pursuant to IEX Rule 9.269, against a Party that fails to appear, in person or through counsel or a representative, at a pre-hearing conference of which the Party has due notice.

Rule 9.242. Pre-Hearing Submission

(a) Requirement to Furnish Information

Prior to a hearing before a Hearing Panel or, if applicable, an Extended Hearing Panel, the Hearing Officer, in the exercise of his or her discretion, may order a Party to furnish to all other Parties and the Hearing Panel or, if applicable, the Extended Hearing Panel, such information as deemed appropriate, including any or all of the following:

(1) an outline or narrative summary of a Party's case or defense;

(2) the legal theories upon which a Party shall rely;

(3) a list and copies of documents that a Party intends to introduce at the hearing;

(4) a list of witnesses who shall testify on a Party's behalf, including the witnesses' names, occupations, addresses, and a brief summary of their expected testimony; and,

(5) if a witness shall be called to testify as an expert, a statement of the expert's qualifications, a listing of other proceedings in which the expert has given expert testimony, a list of the expert's publications, and copies of those publications that are not readily available to the other Parties and the Hearing Panel or, if applicable, the Extended Hearing Panel.

(b) Reserved

Rule Series 9.250. DISCOVERY

Rule 9.251. Inspection and Copying of Documents in Possession of Staff

(a) Documents to be Available for Inspection and Copying

(1) Unless otherwise provided by this IEX Rule, or by order of the Hearing Officer, the Department of Enforcement or the Department of Market Regulation shall make available for inspection and copying by any Respondent, Documents prepared or obtained by Interested Staff in connection with the investigation that led to the institution of proceedings. Such Documents include but are not limited to:

(A) requests for information issued pursuant to IEX Rule 8.210;

(B) every other written request directed to persons not employed by IEX to provide Documents or to be interviewed;

(C) the Documents provided in response to any such requests described in (A) and (B) above;

(D) all transcripts and transcript exhibits; and

(E) all other Documents obtained from persons not employed by IEX.

(2) The Department of Enforcement or the Department of Market Regulation shall promptly inform the Hearing Officer and each other Party if, after the issuance of a complaint, requests for information under IEX Rule 8.210 are issued under the same investigative file number under which the investigation leading to the institution of disciplinary proceedings was conducted. If Interested Staff receive Documents pursuant to a request for information under IEX Rule 8.210 after Documents have been made available to a Respondent for inspection and copying as set forth in paragraph (a), and if such Documents are material and relevant to the disciplinary proceeding in which such Respondent is a Party, the additional Documents shall be made available to the Respondent not later than 14 days after the Interested Staff receives such Documents. If a hearing on the merits is scheduled to begin, Interested Staff shall make the additional Documents available to the Respondent not less than ten days before the hearing. If Interested Staff receives such Documents ten or fewer days before a hearing on the merits is scheduled to begin or after such hearing begins, Interested Staff shall make the additional Documents available immediately to the Respondent.

(3) Nothing in paragraph (a)(1) above shall limit the discretion of the Department of Enforcement or the Department of Market Regulation to make available any other Document or the authority of the Hearing Officer to order the production of any other Document.

(b) Withheld Documents

(1) The Department of Enforcement or the Department of Market Regulation may withhold a Document if:

(A) the Document is privileged or constitutes attorney work product;

(B) the Document is an examination or inspection report, an internal memorandum, or other note or writing prepared by a FINRA or IEX employee that shall not be offered in evidence;

(C) the Document would disclose (i) an examination, investigatory or enforcement technique or guideline of FINRA or IEX, a federal, state, or foreign regulatory authority, or a self-regulatory organization; (ii) the identity of a source, including a federal, state, or foreign regulatory authority or a self-regulatory organization that furnished information or was furnished information on a confidential basis regarding an investigation, an examination, an enforcement proceeding, or any other type of civil or criminal enforcement action; or (iii) an examination, an investigation, an enforcement proceeding, or any other type of civil or criminal enforcement action under consideration by, or initiated by, IEX, a federal, state, or foreign regulatory authority, or a self-regulatory organization; or

(D) the Hearing Officer grants leave to withhold a Document or category of Documents as not relevant to the subject matter of the proceeding, or for other good cause shown.

(2) The Department of Enforcement or the Department of Market Regulation shall withhold a Document if the Document is prohibited from disclosure by federal law.

(3) Nothing in paragraph (b)(1) above authorizes the Department of Enforcement or the Department of Market Regulation to withhold a Document, or a part thereof, that contains material exculpatory evidence.

(c) Withheld Document List

The Hearing Officer may require the Department of Enforcement or the Department of Market Regulation to submit to the Hearing Officer a list of Documents withheld pursuant to paragraph (b) or to submit to the Hearing Officer any Document withheld. Upon review, the Hearing Officer may order the Department of Enforcement or the Department of Market Regulation to make the list or any Document withheld available to the other Parties for inspection and copying unless federal law prohibits disclosure of the Document or its existence. A motion to require the Department of Enforcement or the Department of Market Regulation to produce a list of Documents withheld pursuant to paragraph (b) shall be based upon some reason to believe that a Document is being withheld in violation of the Code.

(d) Timing of Inspection and Copying

The Hearing Officer shall determine the schedule of production of documents pursuant to this IEX Rule. Unless otherwise ordered by the Hearing Officer, the Department of Enforcement or the Department of Market Regulation shall commence making Documents available to a Respondent for inspection and copying pursuant to this IEX Rule not later than 21 days after service of the Respondent's answer or, if there are multiple Respondents, not later than 21

days after the last timely answer is filed. If a Respondent in a multi-Respondent case fails to answer, the Department of Enforcement or the Department of Market Regulation shall make Documents available to all other Respondents not later than the later of:

(1) 21 days after the filing date of the last timely answer, or

(2) the expiration of the second period provided for filing an answer as set forth in IEX Rule 9.215(f).

(e) Place and Time of Inspection and Copying

Documents subject to inspection and copying pursuant to this IEX Rule 9.251 shall be made available to the Respondent for inspection and copying at the IEX or FINRA office where they are ordinarily maintained, or at such other FINRA office as the Hearing Officer, in his or her discretion, shall designate, or as the Parties otherwise agree. A Respondent shall be given access to the Documents at IEX's or FINRA's offices during normal business hours. A Respondent shall not be given custody of the Documents or be permitted to remove the Documents from IEX's or FINRA's offices.

(f) Copying Costs

A Respondent may obtain a photocopy of all Documents made available for inspection. A Respondent shall be responsible for the cost of photocopying. Unless otherwise ordered, charges for copies made at the request of a Respondent shall be at a rate to be established by IEX.

(g) Failure to Make Documents Available — Harmless Error

In the event that a Document required to be made available to a Respondent pursuant to this IEX Rule is not made available by the Department of Enforcement or the Department of Market Regulation, no rehearing or amended decision of a proceeding already heard or decided shall be required unless the Respondent establishes that the failure to make the Document available was not harmless error. The Hearing Officer, or, upon appeal or review, the IEX Appeals Committee, shall determine whether the failure to make the document available was not harmless error, applying applicable IEX, FINRA, SEC, and federal judicial precedent.

Rule 9.252. Requests for Information

(a) Content and Timing of Requests

A Respondent who requests that IEX invoke IEX Rule 8.210 to compel the production of Documents or testimony at the hearing shall do so in writing and serve copies on all Parties. Such request shall: be submitted to the Hearing Officer no later than 21 days before the scheduled hearing date; describe with specificity the Documents, the category or type of Documents, or the testimony sought; state why the Documents, the category or type of Documents, or the testimony are material; describe the requesting Party's previous efforts to obtain the Documents, the category or type of Documents, or the testimony through other means; and state whether the custodian of each Document, or the custodian of the category or type of Documents, or each proposed witness is subject to IEX 's jurisdiction.

(b) Standards for Issuance

A request that IEX compel the production of Documents or testimony shall be granted only upon a showing that: the information sought is relevant, material, and non-cumulative; the requesting Party has previously attempted in good faith to obtain the desired Documents and testimony through other means but has been unsuccessful in such efforts;

and each of the persons from whom the Documents and testimony are sought is subject to IEX's jurisdiction. In addition, the Hearing Officer shall consider whether the request is unreasonable, oppressive, excessive in scope, or unduly burdensome, and whether the request should be denied, limited, or modified.

(c) Limitations on Requests

If, after consideration of all the circumstances, the Hearing Officer determines that a request submitted pursuant to this IEX Rule is unreasonable, oppressive, excessive in scope, or unduly burdensome, he or she shall deny the request, or grant it only upon such conditions as fairness requires. In making the foregoing determination, the Hearing Officer may inquire of the other Parties whether they shall stipulate to the facts sought to be proved by the Documents or testimony sought. If the Hearing Officer grants the request, the Hearing Officer shall order that requested Documents be produced to all Parties not less than ten days before the hearing, and order that witnesses whose testimony was requested appear and testify at the hearing. If the Hearing Officer grants the request ten or fewer days before a hearing on the merits is scheduled to begin or after such hearing begins, the Documents or testimony shall be produced immediately to all Parties.

Rule 9.253. Production of Witness Statements

(a) Availability

Notwithstanding the provisions of IEX Rule 9.251(b),

(1) A Respondent in a disciplinary proceeding may file a motion requesting that the Department of Enforcement or the Department of Market Regulation produce for inspection and copying any statement of any person called or to be called as a witness by the Department of Enforcement or the Department of Market Regulation that pertains, or is expected to pertain, to his or her direct testimony and which is "a stenographic, mechanical, electrical, or other recording, or a transcription thereof, which is a substantially verbatim recital of an oral statement made by said witness and recorded contemporaneously with the making of such oral statement," as that phrase is used in 18 U.S.C. § 3500(e)(2).

(2) A Respondent in a disciplinary proceeding may also file a motion requesting that the Department of Enforcement or the Department of Market Regulation produce for inspection and copying any contemporaneously written statement made by an Interested Staff member during a routine examination or inspection about the substance of oral statements made by a non-IEX person when (a) either the Interested Staff member or non-IEX person is called as a witness by the Department of Enforcement or the Department of Market Regulation, and (b) that portion of the statement for which production is sought directly relates to the Interested Staff member's testimony or the testimony of the non-IEX witness.

(b) Failure to Produce — Harmless Error

In the event that a statement required to be made available for inspection and copying by a Respondent is not provided by the Department of Enforcement or the Department of Market Regulation, there shall be no rehearing of a proceeding already heard, or issuance of an amended decision in a proceeding already decided, unless the Respondent establishes that the failure to provide the statement was not harmless error. The Hearing Officer, or upon appeal or review, the IEX Appeals Committee, shall determine whether the failure to provide any statement was not harmless error, applying applicable IEX, FINRA, SEC, and federal judicial precedent.

Rule Series 9.260. HEARING AND DECISION

Rule 9.261. Evidence and Procedure in Hearing

(a) Submission of Documentary Evidence and List of Witnesses Before Hearing

No later than ten days before the hearing, or at such earlier date as may be specified by the Hearing Officer, each Party shall submit to all other Parties and to the Hearing Officer copies of documentary evidence and the names of the witnesses each Party intends to present at the hearing. The documentary evidence submitted by the Parties prior to the hearing pursuant to this paragraph shall not become part of the record, unless the Hearing Officer, Hearing Panel, or Extended Hearing Panel orders some or all of it included pursuant to IEX Rule 9.267(a)(8). The Hearing Officer may order each Party to refrain from submitting its documentary evidence to the Hearing Officer.

(b) Party's Right to Be Heard

If a hearing is held, a Party shall be entitled to be heard in person, by counsel, or by the Party's representative.

(c) Request to Submit Additional Evidence

Notwithstanding paragraph (a), a Party, for good cause shown, may seek to submit any additional evidence at the hearing as the Hearing Officer, in his or her discretion, determines may be relevant and necessary for a complete record.

Rule 9.262. Testimony

A person who is subject to the jurisdiction of IEX shall testify under oath or affirmation. The oath or affirmation shall be administered by a court reporter or a notary public.

Rule 9.263. Evidence: Admissibility

(a) Criteria for Receiving and Excluding Evidence

The Hearing Officer shall receive relevant evidence, and may exclude all evidence that is irrelevant, immaterial, unduly repetitious, or unduly prejudicial.

(b) Objections

Objections to the admission or exclusion of evidence shall be made on the record and shall succinctly state the grounds relied upon. Excluded material shall be deemed a supplemental document, which shall be attached to the record and retained under IEX Rule 9.267.

Rule 9.264. Motion for Summary Disposition

(a) Pre-hearing

After a Respondent's answer has been filed and Documents have been made available to that Respondent for inspection and copying pursuant to IEX Rule 9.251, the Respondent or the Department of Enforcement or the Department of Market Regulation, without leave of the Hearing Officer, may make a motion for summary disposition of any or all the causes of action in the complaint with respect to that Respondent, as well as any defense raised in a

Respondent's answer. All pre-hearing motions for summary disposition and supporting papers shall be filed at least 21 days before the time set for the hearing, or at such earlier time as ordered by the Hearing Officer. Notwithstanding the provisions of IEX Rule 9.146(d), any opposition or response to a pre-hearing motion for summary disposition shall be filed at least seven days before the time set for the hearing.

(b) After Commencement of Hearing on Merits

After a hearing on the merits has commenced, a Respondent or the Department of Enforcement or the Department of Market Regulation may make a motion for summary disposition of any or all of the causes of action in the complaint with respect to that Respondent or defenses raised in that Respondent's answer only with leave of the Hearing Officer.

(c) Case Not Fully Adjudicated on Motion

If on motion under this IEX Rule a decision is not rendered upon the whole case or for all the relief asked and a hearing is necessary, the Hearing Panel or, if applicable, the Extended Hearing Panel, at the hearing of the motion, by examining the pleadings and the evidence before it and by questioning counsel, shall, if practicable, ascertain what material facts exist without substantial controversy and what material facts are actually and in good faith controverted. It shall thereupon make an order specifying the facts that appear without substantial controversy, and directing such further proceedings in the action as are just. Upon the hearing of the action the facts so specified shall be deemed established, and the hearing shall be conducted accordingly.

(d) Form of Papers

A motion for summary disposition pursuant to paragraph (a) shall be accompanied by the following: a statement of undisputed facts; a supporting memorandum of points and authorities; and affidavits or declarations that set forth such facts as would be admissible at the hearing and show affirmatively that the affiant is competent to testify to the matters stated therein. A memorandum of points and authorities in support or opposition shall not exceed 35 pages.

(e) Rulings on Motion

The Hearing Officer may promptly deny or defer decisions on any motion for summary disposition, however, only the Hearing Panel or, if applicable, the Extended Hearing Panel, may grant a motion for summary disposition, except the Hearing Officer may grant motions for summary disposition with respect to questions of jurisdiction. The Hearing Panel or, if applicable, the Extended Hearing Panel, may grant the motion for summary disposition if there is no genuine issue with regard to any material fact and the Party that files the motion is entitled to summary disposition as a matter of law. If a Party files a motion under paragraph (a), the facts alleged in the pleadings of the Party against whom the motion is made shall be taken as true, except as modified by stipulations or admissions made by the non-moving Party, by uncontested affidavits or declarations, or by facts officially noticed pursuant to IEX Rule 9.145. If a Party opposing a motion for summary disposition made under paragraph (a) cannot present, by affidavit prior to the hearing, facts essential to justify the Party's opposition to the motion, the Hearing Panel or, if applicable, the Extended Hearing Panel, may deny the motion for summary disposition or defer the decision on the motion.

Rule 9.265. Record of Hearing

(a) Recordation

A hearing shall be recorded by a court reporter and a transcript shall be prepared. Unless otherwise ordered by a Hearing Officer, a pre-hearing conference shall be recorded by a court reporter and a transcript shall be prepared.

(b) Availability of a Transcript

A transcript of a pre-hearing conference and a transcript of a hearing shall be available to a Party for purchase from the court reporter at prescribed rates. A witness may purchase from the court reporter a transcript of his or her own testimony.

(c) Transcript Correction

Prior to the filing of post-hearing briefs or proposed findings and conclusions, or within such earlier time as ordered by the Hearing Officer, a Party or witness may seek to correct his or her transcript. A proposed correction of the transcript shall be submitted to the Hearing Officer by affidavit. Upon notice to all Parties to the disciplinary proceeding, the Hearing Officer may order the correction to the transcript as requested or sua sponte.

Rule 9.266. Proposed Findings of Fact, Conclusions of Law, and Post-Hearing Briefs

(a) Discretion of Hearing Officer to Require Proposed Findings of Fact, Conclusions of Law, and Post-Hearing Briefs

At the discretion of the Hearing Officer, the Parties may be ordered to file proposed findings of facts and conclusions of law, or post-hearing briefs, or both. The Hearing Officer may order that such proposed findings and conclusions be filed together with, or as part of, post-hearing briefs.

(b) Reference to Record Required

Proposed findings of fact or other statements of fact in briefs shall be supported by specific references to the record.

(c) Period for Filing

In any case in which the Hearing Officer ordered the filing of proposed findings or conclusions of law, or post-hearing briefs, the Hearing Officer shall, after consultation with the Parties, prescribe the period within which proposed findings and conclusions of law and post-hearing briefs are to be filed. Such period shall be reasonable under all the circumstances but the total period allowed for the filing of post-hearing submissions shall not exceed 60 days after the conclusion of the hearing unless the Hearing Officer, for good cause shown, permits a different period and sets forth in an order the reasons why a longer period is necessary.

(d) Form, Length of Papers

Unless the Hearing Officer orders otherwise, each post-hearing submission shall not exceed 25 pages, exclusive of cover sheets, tables of contents, and tables of authorities.

Rule 9.267. Record; Supplemental Documents Attached to Record; Retention

(a) Contents of the Record, Retention

The record shall consist of:

(1) the complaint, answers, each notice of hearing, pre-hearing order, and any amendments thereto;

(2) each application, motion, submission, and other paper, and any amendments, motions, objections, and exceptions to or regarding them;

(3) each transcript of a pre-hearing conference and of a hearing, and each stipulation, transcript of testimony, Document, and other item admitted into evidence;

(4) each written communication accepted at the discretion of the Hearing Officer;

(5) with respect to a motion to disqualify a Hearing Officer under IEX Rule 9.233 or a Panelist under IEX Rule 9.234, each affidavit or transcript of testimony taken and the ruling made in connection with the request;

(6) all proposed findings and conclusions;

(7) each written ruling, order, and decision issued by the Chief Hearing Officer, Hearing Officer, Hearing Panel or, if applicable, Extended Hearing Panel; and,

(8) any other Document or item accepted into the record by the Hearing Officer, the Hearing Panel or, if applicable, the Extended Hearing Panel.

(b) Supplemental Documents Attached To Record; Retention

(1) A supplemental Document attached to the record is any Document submitted to the Hearing Officer that did not become part of the record, including:

(A) a Document not admitted by the Hearing Officer, Hearing Panel or, if applicable, the Extended Hearing Panel;

(B) any matter stricken from any filing or stricken during an oral presentation, including any matter stricken from any filing or stricken during any oral presentation because the Adjudicator determined it was scandalous or impertinent as provided in IEX Rule 9.136(e); and

(C) a list of Documents, if any, that a Respondent unsuccessfully sought by motion to inspect and copy under IEX Rule 9.251(c).

(2) A supplemental Document attached to the record shall not constitute part of the record, but shall be retained until the date upon which IEX's decision becomes final disciplinary action or, if applicable, upon the conclusion of any review by the SEC or the federal courts.

(c) Substitution of Copies

Parties may submit to the Hearing Officer for substitution a true copy of a Document in the record.

Rule 9.268. Decision of Hearing Panel or Extended Hearing Panel

(a) Majority Decision

Within 60 days after the final date allowed for filing proposed findings of fact, conclusions of law, and post-hearing briefs, or by a date established at the discretion of the Chief Hearing Officer, the Hearing Officer shall prepare a written decision that reflects the views of the Hearing Panel or, if applicable, the Extended Hearing Panel, as determined by majority vote.

(b) Contents of Decision

The decision shall include:

(1) a statement describing the investigative or other origin of the disciplinary proceeding, if not otherwise contained in the record;

(2) the specific statutory or rule provisions that were alleged to have been violated;

(3) a statement setting forth the findings of fact with respect to any act or practice the Respondent was alleged to have committed or omitted;

(4) the conclusions of the Hearing Panel, or Extended Hearing Panel, as to whether the Respondent violated any provision alleged in the complaint;

(5) a statement of the Hearing Panel, or the Extended Hearing Panel, in support of the disposition of the principal issues raised in the proceeding; and

(6) a statement describing any sanction imposed, the reasons therefor, and the date upon which such sanction shall become effective. Unless otherwise provided in the decision, the sanction(s) shall become effective pursuant to paragraph (f) of this IEX Rule.

(c) Dissenting Opinion

Within 65 days after the final date allowed for filing proposed findings of fact and conclusions of law, and post-hearings briefs, or by a date established at the discretion of the Chief Hearing Officer, the Hearing Officer or any Panelist may prepare a written dissenting opinion.

(d) Service, Notice, and Dissemination Requirements

The Office of Hearing Officers shall promptly serve the decision of the Hearing Panel, or the Extended Hearing Panel, and any dissenting opinion on the Parties; publish notice of the decision and any dissenting opinion in the Central Registration Depository; and provide a copy of the decision and any dissenting opinion to each IEX Member with which a Respondent is associated.

(e) Appeal or Review

If not timely appealed pursuant to IEX Rule 9.311 or timely called for review pursuant to IEX Rule 9.312, the majority decision shall constitute final disciplinary action of IEX for purposes of Rule 19d-1(c)(1) of the Act.

(f) Effectiveness of Sanctions

Unless otherwise provided in the majority decision issued under paragraph (a) of this IEX Rule 9.268:

(1) a sanction (other than a bar or an expulsion) specified in a decision constituting final disciplinary action of IEX for purposes of Exchange Act Rule 19d-1(c)(1) shall become effective on a date to be determined by IEX; and

(2) a bar or an expulsion specified in a decision shall become effective immediately upon the decision becoming the final disciplinary action of IEX for purposes of Exchange Act Rule 19d-1(c)(1).

Rule 9.269. Default Decisions

(a) Issuance of Default Decisions

(1) The Hearing Officer may issue a default decision against a Respondent that fails to answer the complaint within the time afforded under IEX Rule 9.215, or a Party that fails to appear at a pre-hearing conference held pursuant to IEX Rule 9.241 of which the Party has due notice, or a Party that fails to appear any hearing that a Party is required to attend under IEX Rule Series 9.200 of which the Party has due notice.

(2) If the defaulting Party is the Respondent, the Hearing Officer may deem the allegations against that Respondent admitted. If the Defaulting Party is the Department of Enforcement or the Department of Market Regulation, the Hearing Officer may issue a default decision ordering that the complaint be dismissed with prejudice.

(3) The Hearing Officer may order a Party that fails to appear at the pre-hearing conference or the hearing to pay the costs incurred by other Parties in connection with their appearance.

(b) Contents of Decision

The contents of a default decision shall conform to the requirements of IEX Rule 9.268(b).

(c) Review of Default Decision

Party may, for good cause shown, file a motion to set aside a default, dismissal, and the imposition of costs. Upon a showing of good cause, the Hearing Officer that entered the original order shall decide the motion. If the Hearing Officer that issued the original order is not available, the Chief Hearing Officer shall appoint another Hearing Officer to decide the motion.

(d) Final Disciplinary Action of IEX; Effectiveness of Sanctions

If a default decision is not appealed pursuant to IEX Rule 9.311 or called for review pursuant to IEX Rule 9.312 within 25 days after the date the Office of Hearing Officers serves it on the Parties, the default decision shall become the final disciplinary action of IEX for purposes of Rule 19d-1(c)(1) of the Act. Unless otherwise provided in the default decision, the sanctions shall become effective on a date to be determined by IEX staff, except that a bar or expulsion shall become effective immediately upon the default decision becoming the final disciplinary action of IEX. The decision shall be served upon Respondent by courier, facsimile or other means reasonably likely to obtain prompt service when the sanction is a bar or an expulsion.

Rule 9.270. Settlement Procedure

(a) When Offer Allowed; No Stay of Proceeding

A Respondent who is notified that a proceeding has been instituted against him or her may propose in writing an offer of settlement at any time. If a Respondent proposes an offer of settlement before the hearing on the merits has begun, the making of an offer of settlement shall not stay the proceeding, unless otherwise decided by the Hearing Officer. If a Respondent proposes an offer of settlement after the hearing on the merits has begun, the making of an offer of settlement shall not stay the proceeding, unless otherwise decided by the Hearing Panel or, if applicable, the Extended Hearing Panel.

(b) Settlement Offer Shall Conform to IEX Rule

A Respondent who makes an offer of settlement shall do so in conformity with the provisions of this IEX Rule 9.270 and shall not make such an offer of settlement frivolously or propose a sanction inconsistent with the seriousness of the violations to be found.

(c) Content and Signature Requirements

An offer of settlement shall be in writing and signed by the person making the offer, and, if the person is represented by counsel or a representative, signed also by the counsel or representative. The offer of settlement shall contain in reasonable detail:

(1) a statement describing the investigative or other origin of the disciplinary action;

(2) the specific statutory or rule provisions that the Member or associated person is alleged to have violated;

(3) a statement containing the acts or practices which the Member or associated person is alleged to have engaged in or omitted;

(4) a statement consenting to findings of fact and violations consistent with the statements contained in the offer of settlement required by paragraphs (c)(2) and (c)(3) above;

(5) a description of the proposed sanction and the effective date of any sanction(s) imposed, or a statement that the effective date of the sanction(s) will be a date to be determined by IEX staff.

(d) Waiver

(1) If a Respondent submits an offer of settlement, by the submission such Respondent waives:

(A) any right of such Respondent to a hearing before a Hearing Panel or, if applicable, an Extended Hearing Panel, and any right of appeal to the IEX Appeals Committee, the SEC, and the courts, or any right otherwise to challenge or contest the validity of the order issued, if the offer of settlement and order of acceptance are accepted;

(B) any right of such Respondent to claim bias or prejudgment of the Chief Hearing Officer, Hearing Officer, a Hearing Panel or, if applicable, an Extended Hearing Panel, a Panelist on a Hearing Panel, or, if applicable, an Extended Hearing Panel, the Chief Regulatory Officer, the IEX Appeals Committee, or any member of the IEX Appeals Committee, in connection with such person's or body's participation in discussions regarding the terms and conditions of the offer of settlement and the order of acceptance, or other consideration of the offer of settlement and order of acceptance, including acceptance, or rejection of such offer of settlement and order of acceptance; and

(C) any right of such Respondent to claim that a person or body violated the ex parte prohibitions of IEX Rule 9.143 or the separation of functions prohibitions of IEX Rule 9.144, in connection with such person's or body's participation in discussions regarding the terms and conditions of the offer of settlement and the order of acceptance, or other consideration of the offer of settlement and order of settlement, including acceptance or rejection of such offer of settlement and order of acceptance.

(2) If an offer of settlement and an order of acceptance are rejected, the Respondent shall be bound by the waivers made in this paragraph (d) for conduct by persons or bodies occurring during the period beginning from the

date the offer of settlement was submitted and ending upon the rejection of the offer of settlement and order of acceptance.

(e) Uncontested Offers of Settlement

If a Respondent makes an offer of settlement and the Department of Enforcement or the Department of Market Regulation does not oppose it, the offer of settlement is uncontested. If an offer of settlement is determined to be uncontested by the Department of Enforcement or the Department of Market Regulation before a hearing on the merits has begun, the Department of Enforcement or the Department of Market Regulation shall transmit the uncontested offer of settlement and a proposed order of acceptance to the Office of Disciplinary Affairs with its recommendation. If an offer of settlement is determined to be uncontested by the Department of Enforcement or the Department of Market Regulation after a hearing on the merits has begun, the Department of Enforcement or the Department of Market Regulation shall transmit the offer of settlement and a proposed order of acceptance to the Hearing Panel or, if applicable, the Extended Hearing Panel for acceptance or rejection.

(1) A proposed order of acceptance shall make findings of fact, including a statement of the rule, regulation, or statutory provision violated, and impose sanctions consistent with the terms of the offer of settlement.

(2) Before an offer of settlement and an order of acceptance shall become effective, they shall be submitted to and accepted by the Office of Disciplinary Affairs, Hearing Panel, or if applicable, Extended Hearing Panel. The Office of Disciplinary Affairs, Hearing Panel, or if applicable, Extended Hearing Panel may or may not accept such offer of settlement and order of acceptance.

(3) If the offer of settlement and order of acceptance are accepted by the Office of Disciplinary Affairs, Hearing Panel, or if applicable, Extended Hearing Panel they shall be issued and become final.

(f) Contested Offers of Settlement

If a Respondent makes an offer of settlement and the Department of Enforcement or the Department of Market Regulation opposes it, the offer of settlement is contested. A contested offer of settlement shall be deemed rejected, shall not be transmitted to the Office of Hearing Officers, Office of Disciplinary Affairs, or Hearing Panel or Extended Hearing Panel, and shall not constitute a part of the record in any proceeding against the Respondent making the offer.

(g) Final Disciplinary Action of IEX

The proceeding shall conclude as of the date the order of acceptance is issued. The order of acceptance shall constitute final disciplinary action of IEX. The sanction shall take effect as set forth in the order.

(h) Uncontested Offer of Settlement Not Accepted

If an uncontested offer of settlement or an order of acceptance is not accepted by the Office of Disciplinary Affairs, the Hearing Panel or, if applicable, the Extended Hearing Panel, the Respondent shall be notified in writing and the offer of settlement and proposed order of acceptance shall be deemed withdrawn. An offer and proposed order of acceptance shall not constitute a part of the record in any proceeding against the Respondent making the offer.

(i) Disciplinary Proceeding With Multiple Respondents

When a disciplinary proceeding names multiple Respondents, settlement offers may be accepted or rejected as to any one or all of the Respondents submitting offers. The proceedings shall thereafter be terminated as to those Respondents whose offers of settlement are accepted, but such Respondents may be required to participate in any hearing conducted as to those Respondents that did not submit offers of settlement or whose offers of settlement were rejected.

(j) No Prejudice from Rejected Offer of Settlement

If an offer of settlement is rejected by the Office of Disciplinary Affairs, a Hearing Panel or, if applicable, an Extended Hearing Panel, the Respondent shall not be prejudiced by the offer, which may not be introduced into evidence in connection with the determination of the issues involved in the pending complaint or in any other proceeding.

Rule 9.280. Contemptuous Conduct

(a) Persons Subject to Sanctions

If a Party, attorney for a Party, or other person authorized to represent others by IEX Rule 9.141, engages in conduct in violation of an order of a Hearing Officer, a Hearing Panel or, if applicable, an Extended Hearing Panel, or other contemptuous conduct during a proceeding, a Hearing Officer, Hearing Panel or, if applicable, an Extended Hearing Panel, may:

(1) subject the Party, attorney for a Party, or other person authorized to represent others by IEX Rule 9.141, to the sanctions set forth in paragraph (b); and

(2) exclude an attorney for a Party, or other person authorized to represent others by IEX Rule 9.141, under IEX Rule 9.150.

(b) Sanctions Other Than Exclusion

A Hearing Officer, Hearing Panel or, if applicable, an Extended Hearing Panel, may make such orders as are just in regard to a Party, an attorney for a Party, or other person authorized to represent others by IEX Rule 9.141.

(1) Such orders may include:

(A) an order providing that the matters on which the order is made or any other designated facts shall be taken to be established for the purposes of the disciplinary proceeding in accordance with the claim of the Party obtaining the order;

(B) an order providing that the disobedient Party may not support or oppose designated claims or defenses, or may not introduce designated matters in evidence;

(C) an order providing that pleadings or a specified part of the pleading shall be stricken, or an order providing that the proceeding shall be stayed until the Party subject to the order obeys it;

(D) in lieu of any of the foregoing orders or in addition thereto, an order providing that contemptuous conduct includes the failure to obey any order; and

(E) an order as provided in subparagraphs (A), (B), and (C) where a Party has failed to comply with an order to produce a person for examination, unless the Party failing to comply shows that such Party is unable to produce such person for examination.

(2) A Party that without substantial justification fails to disclose information required by IEX Rules 9.240 and 9.250 or otherwise required by order of the Hearing Officer, Hearing Panel or, if applicable, the Extended Hearing Panel, shall not, unless such failure is harmless, be permitted to use as evidence at a hearing, in a motion or in any other filing of papers, or in oral argument, any witness or information not so disclosed. In addition to, or in lieu of this sanction, the Hearing Officer, Hearing Panel or, if applicable, the Extended Hearing Panel, on motion and after affording an opportunity to be heard, may impose other appropriate sanctions. These sanctions may include any of the sanctions provided for in paragraphs (b)(1)(A) through (C) above.

(c) Review of Exclusions

If an attorney for a Party, or other person authorized to represent others by IEX Rule 9.141, is excluded from a disciplinary hearing or conference, or any portion thereof, such attorney or other person may seek review of the exclusion by filing a motion to vacate with the Chief Hearing Officer. Such motion to vacate shall be filed and served on all Parties within five days after service of the exclusion order. Any response shall be filed with the Chief Hearing Officer and served on all Parties within five days after the service of the motion to vacate. The Chief Hearing Officer shall consider such motion on an expedited basis and promptly issue a written order. The filing of a motion to vacate shall stay all aspects of the disciplinary proceeding until at least seven days after service of the order of the Chief Hearing Officer. The review proceedings shall be conducted on the basis of the written record without oral argument.

(d) Adjournment

The hearing, conferences, or other activities relating to the disciplinary proceeding shall be stayed pending the review by the Chief Hearing Officer of an exclusion order in paragraph (c). In the event that the Chief Hearing Officer upholds an exclusion of an attorney or other person authorized to represent others by IEX Rule 9.141, the Hearing Officer may, upon motion by a Party represented by an attorney or other person subject to an order of exclusion, grant an adjournment to allow the retention of new counsel or selection of a new representative. In determining whether to grant an adjournment or the length of an adjournment, the Hearing Officer shall consider whether there are other counsel or representatives of record on behalf of the Party, the availability of other counsel or other members of an excluded attorney's firm, or the availability of other representatives for the Party, and any other relevant factors.

Rule 9.290. Expedited Disciplinary Proceedings

For any disciplinary proceeding, the subject matter of which also is subject to a temporary cease and desist proceeding initiated pursuant to IEX Rule 9.810 or a temporary cease and desist order, hearings shall be held and decisions shall be rendered at the earliest possible time. An expedited hearing schedule shall be determined at a pre-hearing conference held in accordance with IEX Rule 9.241.

Rule Series 9.300. REVIEW OF DISCIPLINARY PROCEEDING BY IEX BOARD; APPLICATION FOR SEC REVIEW

Rule Series 9.310. APPEAL TO OR REVIEW BY THE IEX BOARD

Rule 9.311. Appeal by Any Party; Cross-Appeal

(a) Time to File Notice of Appeal

A Respondent or the Department of Enforcement or the Department of Market Regulation may file a written notice of appeal with the Secretary of IEX, which states the basis and reasons for such review within 25 days after service of a decision issued pursuant to IEX Rules 9.268 or 9.269, except that a decision concerning an IEX Member that is an affiliate may not be appealed to the Board.

(b) Effect

An appeal to the Board from a decision issued pursuant to IEX Rules 9.268 or 9.269 shall be heard by the IEX Appeals Committee of the Board, and shall operate as a stay of that decision until a decision is issued pursuant to IEX Rule 9.349 or, in cases called for discretionary review by the Board, until a decision is issued pursuant to IEX Rule 9.351. Any such appeal, however, will not stay a decision, or that part of a decision, that imposes a permanent cease and desist order.

(c) Notice of Appeal Content and Signature Requirements

A Party appealing pursuant to this IEX Rule 9.311 shall file a written notice of appeal with the Office of Hearing Officers and serve the notice on the Parties. The notice of appeal shall be signed by the appealing Party, or his or her counsel or representative, and shall contain:

(1) the name of the disciplinary proceeding;

(2) the disciplinary proceeding docket number;

(3) the name of the Party on whose behalf the appeal is made;

(4) a statement on whether oral argument before the IEX Appeals Committee is requested; and

(5) a brief statement of the findings, conclusions, or sanctions as to which exceptions are taken.

(d) Notice of Cross-Appeal

A Party who is served with a notice of appeal may file a written notice of cross-appeal and serve the notice of cross-appeal on the Parties. The notice of cross-appeal shall be filed within five days after service of the notice of appeal. The notice of cross-appeal shall be signed by the Party cross-appealing, or his or her counsel, and shall contain the information set forth in paragraphs (c)(1), (c)(2), (c)(4), and (c)(5), and the name of the Party on whose behalf the cross-appeal is made.

(e) Waiver of Issues Not Raised

The IEX Appeals Committee may, in its discretion, deem waived any issue not raised in the notice of appeal or cross-appeal. The IEX Appeal Committee or the General Counsel shall provide the Parties with notice of, and an opportunity to submit briefs on, any issue that shall be considered by the IEX Appeals Committee if such issue was not previously set forth in the notice of appeal. Parties may submit motions to the IEX Appeals Committee challenging requests for briefing made by the General Counsel under this IEX Rule of issues that were not previously set forth in the notice of appeal.

(f) Withdrawal of Notice of Appeal or Cross-Appeal

A Party may withdraw a notice of appeal or a notice of cross-appeal filed by him or her at any time by filing a written notice of withdrawal of appeal or cross-appeal with the Office of Hearing Officers and serving notice thereof on the Parties. The notice of withdrawal of appeal or cross-appeal shall contain: the name of the disciplinary proceeding; the disciplinary proceeding docket number; and the name of the Party on whose behalf the notice of appeal or cross-appeal was filed previously. The notice of withdrawal of appeal or cross-appeal shall be signed by the Party, or his or her counsel or representative. Upon the withdrawal of a notice of appeal, any outstanding cross-appeal shall be treated as an appeal unless it is withdrawn.

Rule 9.312. Review Proceeding Initiated by the IEX Board

(a) Call for Review

(1) Rule 9.268 Decision

A decision issued pursuant to IEX Rule 9.268 may be subject to a call for review by any member of the Board. A decision issued pursuant to IEX Rule 9.268 shall be subject to a call for review within 45 days after the date of service of the decision. If called for review, such decision shall be reviewed by the IEX Appeals Committee.

(2) Rule 9.269 Decision

A default decision issued pursuant to IEX Rule 9.629 shall be subject to a call for review by the Chief Regulatory Officer, on his or her own motion within 25 days after the date of service of the decision. If called for review, such decision shall be reviewed by the IEX Appeals Committee.

(b) Effect

Institution of review by a member of the Board on his or her own motion or the Chief Regulatory Officer, on his or her own motion, shall operate as a stay of a final decision issued pursuant to IEX Rules 9.268 or 9.629 as to all Parties subject to the notice of review, until the IEX Appeals Committee issues a decision pursuant to IEX Rule 9.349, or, in cases called for discretionary review by the Board, until a decision is issued pursuant to IEX Rule 9.351. Institution of any such review, however, will not stay a decision, or that part of a decision, that imposes a permanent cease and desist order.

(c) Requirements

(1) If a member of the Board, or, for a disciplinary proceeding decided under IEX Rule 9.269, the Chief Regulatory Officer determines to call a case for review, a written notice of review shall be served promptly on each Party to the proceeding and filed with the Office of Hearing Officers. Such notice of review shall contain:

(A) the name of the disciplinary proceeding;

(B) the disciplinary proceeding docket number; and

(C) a brief statement of the findings, conclusions, or sanctions with respect to which the Board or the Chief Regulatory Officer determined that a call for review was necessary.

(2) The statement contained in the notice of review shall not limit the scope of the Board's authority under IEX Rule 9.346 to review any issues raised in the record. The Board or the Chief Regulatory Officer shall provide the Parties with notice of, and an opportunity to submit briefs on, any issue that shall be considered by the IEX Appeals Committee if such issue was not previously set forth in the notice of review. Parties may submit motions to the IEX Appeals Committee requests for briefing made by the General Counsel under this IEX Rule 9.312 of issues that were not previously set forth in the notice of appeal.

(d) Effect of Withdrawal of Notice of Appeal, Cross-Appeal

If the review of a disciplinary proceeding by the IEX Appeals Committee is terminated before the IEX Appeals Committee issues a decision on the merits because all appealing Parties file a notice of withdrawal of appeal and no Party previously filed a notice of cross-appeal, or all Parties who previously filed a notice of cross-appeal file a notice of withdrawal of cross-appeal:

(1) a member of the Board shall have the right to call for review a decision issued pursuant to IEX Rule 9.268 in accordance with IEX Rule 9.312(a)(1), except that the 45 day period during which a call for review may be made shall begin on the day IEX receives the last filed notice of withdrawal of appeal or, if applicable, the last filed notice of withdrawal of cross-appeal; and,

(2) the Chief Regulatory Officer shall have the right to call for review a decision issued pursuant to IEX Rule 9.269 in accordance with IEX Rule 9.312(a)(2), except that the 25-day period during which a call for review may be made shall begin on the day IEX receives the last filed notice of withdrawal of appeal or, if applicable, the last filed notice of withdrawal of cross-appeal.

Rule 9.313. Counsel to IEX Board and Appeals Committee

(a) Authority

A Counsel to the Board and Appeals Committee shall have authority to take ministerial and administrative actions to further the efficient administration of a proceeding, including the authority to:

(1) direct the Office of Hearing Officers to complete and transmit a record of a disciplinary proceeding to the IEX Appeals Committee in accordance with IEX Rule 9.267;

(2) establish or amend a briefing schedule under IEX Rule 9.347(b) but not shorten a briefing schedule except with the consent of the Parties;

(3) permit a brief or any other document required to be filed to vary from the requirements of IEX Rule 9.130 as provided in IEX Rule 9.347(a);

(4) establish the date, time, and location of an oral argument and provide for notice of the hearing under IEX Rule 9.341;

(5) for other than a Party and counsel or a person acting in a representative capacity, determine who may attend a hearing;

(6) rule on a motion by a Party to request to lengthen or shorten a period of time prescribed by the Code for the filing of any papers, or request that a hearing be postponed or adjourned under IEX Rule 9.322, except that a

period may not be shortened and a hearing may not be postponed or adjourned without the consent of the Parties;

(7) create and maintain the official record of the disciplinary proceeding on appeal or review; and

(8) establish the number of copies of all papers that shall be filed with the Adjudicator under IEX Rule 9.136.

(b) Review

A Party seeking the review of a decision of a Counsel to the Board or Appeals Committee may make a motion to the IEX Appeals Committee.

Rule 9.321. Transmission of Record

Within 21 days after the filing of a notice of appeal or notice of review, or at such later time as the IEX Appeals Committee may designate, the Office of Hearing Officers shall assemble and prepare an index to the record, transmit the record and the index to the IEX Appeals Committee, and serve copies of the index upon all Parties. The Office of Hearing Officers may serve the index by electronic mail. Service by electronic mail shall be deemed complete upon sending of the index. The Hearing Officer who participated in the disciplinary proceeding, or the Chief Hearing Officer, shall certify that the record transmitted to the IEX Appeals Committee is complete.

(Amended by SR-IEX-2023-04 eff. Apr. 3, 2023).

Rule 9.322. Extensions of Time, Postponements, Adjournments

(a) Availability

At any time prior to the issuance of a decision pursuant to IEX Rule 9.349, the IEX Appeals Committee or Counsel to the IEX Appeals Committee, for good cause shown, may extend or shorten a period prescribed by the Code for the filing of any papers, except that Counsel to the IEX Appeals Committee may shorten a period so prescribed only with the consent of the Parties. The IEX Appeals Committee or Counsel to the IEX Appeals Committee, for good cause shown, may postpone or adjourn a hearing consistent with paragraph (b), except that Counsel to the IEX Appeals Committee may postpone or adjourn a hearing only with the consent of the Parties.

(b) Limitations on Postponements, Adjournments, and Changes in Location

Oral argument shall begin at the time and place ordered, unless the IEX Appeals Committee or Counsel to the IEX Appeals Committee, for good cause shown, postpones, adjourns, or changes the location of the oral argument, except that Counsel to the IEX Appeals Committee may postpone or adjourn the oral argument only with the consent of the Parties. In considering a motion for the postponement or adjournment of an oral argument, the IEX Appeals Committee or Counsel to the IEX Appeals Committee shall consider, in addition to any other relevant factors:

(1) the length of time the disciplinary proceeding has been pending to date, and the timeliness of the request for a postponement, an adjournment, or an extension;

(2) the number of postponements, adjournments, or extensions already granted;

(3) the stage of the proceedings at the time of the request;

(4) the prejudice to the other Parties;

(5) the potential harm to the investing public if an extension of time, an adjournment, or a postponement is granted; and

(6) any other matter that justice may require.

Rule 9.331. Reserved.

Rule 9.332. Disqualification and Recusal

(a) Recusal, Withdrawal of Member or Panelist

If at any time a member of the IEX Appeals Committee or a Counsel to the IEX Appeals Committee determines that the member or the Counsel to the IEX Appeals Committee has a conflict of interest or bias or circumstances otherwise exist where the fairness of the member or the Counsel to the IEX Appeals Committee might reasonably be questioned, the member or the Counsel to the IEX Appeals Committee shall notify the Chair of the IEX Appeals Committee who shall issue and serve on the Parties a notice stating that the member or the Counsel to the IEX Appeals Committee has withdrawn from the matter. In the event that a member of the IEX Appeals Committee withdraws, is incapacitated, or is otherwise unable to continue service after assignment, the Chair of the Board shall appoint another member of the Board to serve on the IEX Appeals Committee for the limited purpose of considering the issues raised in the disciplinary proceeding in which the withdrawal action was taken. In the event that a Counsel to the IEX Appeals Committee withdraws, is incapacitated, or is otherwise unable to continue service after assignment, the General Counsel shall assign a replacement Counsel to the IEX Appeals Committee.

(b) Motion for Disqualification

A Party may move for the disqualification of a member of the IEX Appeals Committee or a Counsel to the IEX Appeals Committee. All such motions shall be based upon a reasonable, good faith belief that a conflict of interest or bias exists or circumstances otherwise exist where the fairness of the member or the Counsel to the IEX Appeals Committee might reasonably be questioned, and shall be accompanied by an affidavit setting forth in detail the facts alleged to constitute grounds for disqualification, and the dates on which the Party learned of those facts. Such motions shall be filed not later than 15 days after the later of:

(1) when the Party learned of the facts believed to constitute the disqualification; or

(2) when the Party was notified of the composition of the IEX Appeals Committee or the assignment to the disciplinary proceeding of the Counsel to the IEX Appeals Committee.

(c) Disposition of Disqualification Motions: Challenges to Single Member of IEX Appeals Committee, or Counsel to the IEX Appeals Committee

Motions for disqualification of a member of the IEX Appeals Committee, or a Counsel to the IEX Appeals Committee shall be decided by the Chair of the IEX Appeals Committee (unless the member in question is the Chair in which case a majority of the other members of the IEX Appeals Committee shall make the determination), who shall promptly determine whether disqualification is required and issue a written ruling on the motion. If a member of the IEX Appeals Committee is disqualified, the Chair of the IEX Appeals Committee (or a majority of the other members of the IEX Appeals Committee if the Chair is disqualified) shall appoint another member of the Board to serve on the IEX Appeals

Committee for the limited purpose of considering the issues raised in the disciplinary proceeding in which the motion was made. If a Counsel is disqualified, the General Counsel shall assign a replacement Counsel to the IEX Appeals Committee.

(d) Disposition of Disqualification Motions: Challenges to Multiple Members or Panelists

If a Party files a motion to disqualify more than one member of the IEX Appeals Committee, the Chair of the IEX Appeals Committee shall promptly determine whether disqualification is required, and shall issue a written ruling on the matter. In the event of such disqualification, the remaining members of the IEX Appeals Committee shall consider the review or appeal of the disciplinary matter.

Rule Series 9.340. PROCEEDINGS

Rule 9.341. Oral Argument

(a) Request for Oral Argument

A Party may request oral argument before the IEX Appeals Committee. Oral argument shall be requested in writing either in the Party's notice of appeal or cross-appeal or within 15 days after service of the IEX Appeal Committee's notice of review. Subject to the limitations of IEX Rules 9.342 and 9.344, oral argument shall be granted if timely requested. The right to oral argument set forth in this IEX Rule is unaffected by a Party's waiver of, or failure to request, a hearing pursuant to IEX Rule Series 9.200. The IEX Appeals Committee may cancel in writing a previously scheduled oral argument for good cause shown due to abandonment or similar unreasonable availability.

(b) Discretion to Proceed With or Without Oral Argument

In the absence of a request for oral argument, the IEX Appeals Committee, in its discretion, may order that a matter be set down for oral argument or may consider the matter on the basis of the record.

(c) Notice Regarding Oral Argument

If oral argument is held, a notice stating the date, time, and location of the oral argument shall be served on the Parties at least 21 days before the hearing and may be served by electronic mail. Service by electronic mail shall be deemed complete upon sending of the notice. The Parties may agree in writing to waive the notice period or, in extraordinary circumstances, the IEX Appeals Committee or Counsel to the IEX Appeals Committee may provide for a shorter notice period, except that Counsel to the IEX Appeals Committee may provide for a shorter notice period only with the consent of the Parties.

(d) Attendance Required

The Parties shall make oral arguments before the IEX Appeals Committee. Unless otherwise agreed to by all of the Parties, all members of the IEX Appeals Committee shall be present for the oral argument.

(e) Time Limits

Unless the IEX Appeals Committee orders otherwise for good cause shown, each Party's oral argument shall be limited to a total of 30 minutes.

(f) Recordation; Transcript Correction

(1) Oral arguments shall be recorded by a court reporter and a transcript shall be prepared.

(2) A transcript of a hearing shall be available to a Party for purchase from the court reporter at prescribed rates. A witness may purchase a transcript of his or her own testimony from the court reporter.

(3) Prior to the filing of post-hearing briefs or within such earlier time as reasonably ordered by the IEX Appeals Committee a Party or witness may seek to correct his or her transcript. A proposed correction of the transcript shall be submitted by affidavit to the IEX Appeals Committee. Upon notice to all Parties to the disciplinary proceeding, the IEX Appeals Committee may order the correction to the transcript as requested or sua sponte.

(Amended by SR-IEX-2023-04 eff. Apr. 3, 2023).

Rule 9.342. Failure to Appear at Oral Argument

A Party who requests oral argument but fails to appear after being duly notified shall be deemed to have waived any opportunity for oral argument provided under IEX Rule Series 9.300. The IEX Appeals Committee shall permit argument to go forward as to those Parties who appear. The IEX Appeals Committee, in the exercise of its discretion, may consider the matter on the basis of the record without oral argument as to those Parties who failed to appear.

Rule 9.343. Disposition without Oral Argument

If an oral argument is not held, the matter shall be considered by the IEX Appeals Committee, on the basis of the record, as defined in IEX Rule 9.267, and supplemented by any written materials submitted to or issued by the IEX Appeals Committee in connection with the appeal, cross-appeal, or call for review.

Rule 9.344. Failure to Participate Below; Abandonment of Appeal

(a) Failure to Participate Below

If an appealing Party did not participate in the disciplinary proceeding before a Hearing Officer, a Hearing Panel or, if applicable, an Extended Hearing Panel, and fails to show good cause for the failure to participate, the matter shall be considered by the IEX Appeals Committee on the basis of the record and other documents, as provided in IEX Rules 9.346 and 9.347. When good cause is shown, the IEX Appeals Committee shall remand the disciplinary proceeding with instructions. For purposes of this paragraph, failure to participate shall include failure to file an answer or otherwise respond to a complaint, or failure to appear at a scheduled hearing, but shall not include failure to request a hearing pursuant to IEX Rule 9.221.

(b) Abandonment of Appeal

If an appealing Party fails to advise the IEX Appeals Committee of the basis for seeking review or otherwise fails to provide information or submit a written brief in response to a request pursuant to IEX Rules 9.346 and 9.347, the IEX Appeals Committee may dismiss the appeal as abandoned, and the decision of the Hearing Officer, the Hearing Panel or, if applicable, the Extended Hearing Panel, shall become the final disciplinary action of IEX. If a cross-appealing Party fails to advise the IEX Appeals Committee of the basis for seeking review or otherwise fails to provide information or submit a written brief in response to a request pursuant to IEX Rules 9.346 and 9.347, the IEX Appeals Committee may dismiss the cross-appeal as abandoned. Upon a showing of good cause, the IEX Appeals Committee may withdraw any dismissal entered pursuant to this IEX Rule.

Rule 9.345. Reserved.

Rule 9.346. Evidence in IEX Appeals Committee Proceedings

(a) Scope of Review

Except as otherwise set forth in this paragraph, the IEX Appeals Committee's review shall be limited to consideration of:

(1) the record, as defined in IEX Rule 9.267, supplemented by briefs and other papers submitted to the IEX Appeals Committee; and

(2) any oral argument permitted under this Code.

A Party may introduce additional evidence only with prior approval of the IEX Appeals Committee, upon a showing that extraordinary circumstances exist under paragraph (b) below. If an appealing Party shows good cause for failure to participate in the disciplinary proceeding below, the IEX Appeals Committee may hear evidence and consider the disciplinary proceeding pursuant to IEX Rule 9.344(a).

(b) Leave to Introduce Additional Evidence

A Party may apply to the IEX Appeals Committee for leave to introduce additional evidence by motion filed not later than 30 days after the Office of Hearing Officers transmits to the IEX Appeals Committee and serves upon all Parties the index to the record, pursuant to IEX Rule 9.321. The motion shall describe each item of proposed new evidence, demonstrate that there was good cause for failing to introduce it below, demonstrate why the evidence is material to the proceeding, and be filed and served. The Party may attach the documentary evidence as an exhibit to the motion. By a motion filed in accordance with IEX Rule 9.146, a Party may request an extension of the period during which a Party may file a motion for leave to introduce additional evidence. A Party shall demonstrate that there was good cause for failing to file the motion for leave to introduce additional evidence during the period prescribed.

(c) Motion In Opposition; Motion to Introduce Rebuttal Evidence

A Party may file an opposition to a motion, as provided in IEX Rule 9.146(d), for leave to introduce new evidence, and may move for leave to introduce rebuttal evidence in response to the proposed new evidence. A Party who moves to introduce rebuttal evidence in response to the proposed new evidence of another Party shall describe each item of proposed rebuttal evidence and explain why the evidence is material to the proceeding, and shall file and serve such motion.

(d) Discretion Regarding Review of Additional Evidence

Upon consideration of any motion to introduce additional evidence and any opposition thereto, the IEX Appeals Committee may permit the evidence to be introduced into the record on review, or may remand the disciplinary proceeding for further proceedings consistent with its ruling or for further fact finding.

(e) Requirements for Submitting Additional Documentary Evidence

A Party that is permitted to introduce additional documentary evidence before the IEX Appeals Committee pursuant to paragraph (d) shall make copies of the evidence available to the IEX Appeals Committee and to all Parties at such time as the IEX Appeals Committee may specify.

(f) Additional Evidence

On its own motion, the IEX Appeals Committee may order that the record be supplemented with such additional evidence as it may deem relevant. Among other things, the IEX Appeals Committee may order a Respondent who asserts his or her inability to pay a monetary sanction to file a sworn financial statement and to keep such statement current as ordered by the IEX Appeals Committee.

(g) Rules of Evidence Not Applicable

The formal rules of evidence shall not apply.

(h) Testimony

A person who is subject to the jurisdiction of IEX shall testify under oath or affirmation. The oath or affirmation shall be administered by a court reporter or a notary public.

Rule 9.347. Filing of Papers in IEX Appeals Committee Proceedings

(a) Briefs; Reply Briefs; Requirements

Parties may file briefs in connection with proceedings governed by IEX Rule Series 9.300. Briefs shall be confined to the particular matters at issue. An exception to findings, conclusions, or sanctions shall be supported by citation to the relevant portions of the record, including references to specific pages relied upon, and by concise argument, including citation o such statutes, decisions, and other authorities as may be relevant. If an exception relates to the admission or exclusion of evidence, the substance of the evidence admitted or excluded shall be set forth in the brief, an appendix thereto, or by citation to the record. Parties may file reply briefs. If a Party files a reply brief, such brief shall be limited to matters in reply. All briefs shall conform to the requirements of IEX Rule Series 9.130, and, except with advance leave of the IEX Appeals Committee, or Counsel to the IEX Appeals Committee, exclusive of pages containing tables of contents or tables of authorities, a brief other than a reply brief shall not exceed 25 double-spaced pages, and a reply brief shall not exceed 12 double-spaced pages.

(b) Timely Filing of Briefs

Briefs shall be due upon dates established by the IEX Appeals Committee, or Counsel to the IEX Appeals Committee in a scheduling order. Unless the IEX Appeals Committee, or Counsel to the IEX Appeals Committee specifies otherwise, opening briefs shall be submitted not less than 21 days from the date of the scheduling order, and answering briefs shall be submitted 21 days thereafter. When reply briefs are submitted, such briefs shall be filed not later than ten days after service of the answering brief. Counsel to the IEX Appeals Committee may not shorten a period previously established for the filing of briefs except with the consent of the Parties. The time periods listed in this provision are only applicable to the filing of opening briefs, answering briefs, and reply briefs.

Rule 9.348. Powers of the IEX Appeals Committee on Review

In any appeal or review proceeding pursuant to IEX Rule Series 9.300, the IEX Appeals Committee may affirm, dismiss, modify, or reverse with respect to each finding, or remand the disciplinary proceeding with instructions. The IEX Appeals Committee may affirm, modify, reverse, increase, or reduce any sanction, or impose any other fitting sanction.

Rule 9.349. IEX Appeals Committee Formal Consideration; Decision

(a) Decision of IEX Appeals Committee, Including Remand

In an appeal or review of a disciplinary proceeding governed by IEX Rule Series 9.300 that is not withdrawn or dismissed prior to a decision on the merits, the IEX Appeals Committee, after considering all matters presented in the appeal or review, may affirm, dismiss, modify or reverse the decision of the Hearing Panel or, if applicable, Extended Hearing Panel, with respect to each Respondent who has appealed or cross-appealed or is subject to a call for review. The IEX Appeals Committee may affirm, modify, reverse, increase, or reduce any sanction, or impose any other fitting sanction. Alternatively, the IEX Appeals Committee may remand the disciplinary proceeding with instructions. The IEX Appeals Committee shall prepare a proposed written decision pursuant to paragraph (b) below.

(b) Contents of Decision

The decision shall include:

(1) a statement describing the investigative or other origin of the disciplinary proceeding, if not otherwise contained in the record;

(2) the specific statutory or rule provisions that were alleged to have been violated;

(3) a statement setting forth the findings of fact with respect to any act or practice the Respondent was alleged to have committed or omitted;

(4) the conclusions as to whether the Respondent violated any provision alleged in the complaint;

(5) a statement in support of the disposition of the principal issues raised in the proceeding; and

(6) a statement describing any sanction imposed, the reasons therefor, and, pursuant to IEX Rule 9.360, the date upon which such sanction shall become effective.

(c) Issuance of Decision After Expiration of Call for Review Period

The IEX Appeals Committee shall provide its proposed written decision to the Board. The Board may call the disciplinary proceeding for review pursuant to IEX Rule 9.351. If the Board does not call the disciplinary proceeding for review, the proposed written decision of the IEX Appeals Committee shall become final, and the IEX Appeals Committee shall serve its written decision on the Parties and provide a copy to each member of IEX with which a Respondent is associated. The IEX Appeals Committee may serve its written decision by electronic mail. Service by electronic mail shall be deemed complete upon sending the decision. The decision shall constitute the final disciplinary action of IEX for purposes of Rule 19d-1(c)(1) of the Act, unless the IEX Appeals Committee remands the proceeding.

(Amended by SR-IEX-2023-04 eff. Apr. 3, 2023).

Rule Series 9350. Discretionary Review by IEX Board

Rule 9.351. Discretionary Review by IEX Board

(a) Call for Review by Director

A Director may call a disciplinary proceeding for review by the Board if the call for review is made within the period prescribed in paragraph (b) below.

(b) 15 Day Period; Waiver

(1) A Director shall make his or her call for review not later than the next meeting of the Board that is at least 15 days after the date on which the Board receives the proposed written decision of the IEX Appeals Committee.

(2) Waiver

By a unanimous vote of the Board, the Board may shorten the period in subparagraph (1) to less than 15 days. By an affirmative vote of the majority of the Board then in office, the Board may, during the 15 day period in subparagraph (1), vote to extend the period in subparagraph (1) to more than 15 days.

(c) Review at Next Meeting

If a Director calls a disciplinary proceeding for review within the period prescribed in paragraph (b) above, the Board shall review the disciplinary proceeding not later than the next meeting of the Board. The Board may order the Parties (excluding any Respondent who did not appeal or cross-appeal, or as to whom the issues appealed or called for review do not apply) to file briefs in connection with the review proceedings pursuant to this IEX Rule.

(d) Decision of IEX Board, Including Remand

After review, the Board may affirm, modify, or reverse the proposed written decision of the IEX Appeals Committee. The Board may affirm, modify, reverse, increase, or reduce any sanction, or impose any other fitting sanction. Alternatively, the Board may remand the disciplinary proceeding with instructions. The Board shall prepare a written decision that includes all of the elements described in IEX Rule 9.349(b)(1) through (6).

(e) Issuance of Decision After Expiration of Call for Review Period

The Board shall issue and serve its written decision on the Parties and provide a copy to each Member of IEX with which a Respondent is associated. The Board may serve the decision on the Parties by electronic mail. Service by electronic mail shall be deemed complete upon sending the decision. The decision shall constitute the final disciplinary action of IEX for purposes of Rule 19d-1(c)(1) of the Act, unless the Board remands the proceeding.

(Amended by SR-IEX-2023-04 eff. Apr. 3, 2023).

Rule 9.360. Effectiveness of Sanctions

Unless otherwise provided in the decision issued under IEX Rule 9.349 or 9.351, a sanction (other than a bar, an expulsion, or a permanent cease and desist order) specified in a decision constituting final disciplinary action of IEX for purposes of Rule 19d-1(c)(1) of the Act shall become effective on a date to be determined by IEX staff (or the Hearing Panel, Extended Hearing Panel, or Office of Disciplinary Affairs in the case of a decision with respect to an affiliate of IEX within the meaning of IEX Rule 2.210). A bar, an expulsion, or a permanent cease and desist order shall become effective upon service of the decision constituting final disciplinary action of IEX, unless otherwise specified therein. IEX shall serve the decision on a Respondent by courier, facsimile or other means reasonably likely to obtain prompt service when the sanction is a bar, an expulsion, or a permanent cease and desist order.

Rule 9.370. Application to SEC for Review

(a) Appeal to SEC; Effect

A Respondent aggrieved by final disciplinary action pursuant to IEX Rule Series 9.200 or 9.300 may apply for review by the SEC pursuant to Section 19(d)(2) of the Exchange Act. The filing with the SEC of an application for review by the SEC shall stay the effectiveness of any sanction, other than a bar or an expulsion, imposed in a decision constituting final disciplinary action of IEX for purposes of Rule 19d-1(c)(1) of the Act.

(b) IEX Notification to Member

IEX, or FINRA on its behalf, shall promptly notify any IEX Member with which a Respondent is associated if the Respondent files an application for review to the SEC.

Rule Series 9.500. OTHER PROCEEDINGS

IEX Rule Series 9.500 provides the procedure for persons who are or are about to be aggrieved by adverse action, including, but not limited to, those persons who have been denied membership in the Exchange, barred from becoming associated with a Member, or prohibited or limited with respect to Exchange services pursuant to the Operating Agreement or the Rules of the Exchange (other than disciplinary action for which review is provided in the Rule 9.300 Series and other than an arbitration award, from which there is no Exchange review), to apply for an opportunity to be heard and to have the complained of action reviewed.

Rule Series 9.520. ELIGIBILITY PROCEEDINGS

Rule 9.521. Purpose and Definitions

(a) Purpose

IEX Rule Series 9.520 sets forth procedures for a person to become or remain associated with a Member, notwithstanding the existence of a statutory disqualification as defined in Article III, Section 7 of the IEX Operating Agreement and for a current Member or person associated with a Member to obtain relief from the eligibility or qualification requirements of the IEX Operating Agreement and IEX Rules. Such actions hereinafter are referred to as "eligibility proceedings."

(b) Definitions

(1) The term "Application" means FINRA's Form MC-400 for individuals or Form MC-400A for Members, filed with the Department of Registration and Disclosure ("RAD").

(2) The term "disqualified Member" means a broker, dealer, municipal securities broker or dealer, government securities broker or dealer, or Member that is or becomes subject to a disqualification or is otherwise ineligible for membership under Article X, Section 3 of the IEX Operating Agreement.

(3) The term "disqualified person" means an associated person or person seeking to become an associated person who is or becomes subject to a disqualification or is otherwise ineligible for association under Article X, Section 3 of the IEX Operating Agreement.

(4) The term "sponsoring Member" means the Member or applicant for membership pursuant to IEX Rule 2.160 that is sponsoring the association or continued association of a disqualified person to be admitted, readmitted, or permitted to continue in association.

Rule 9.522. Initiation of Eligibility Proceeding by IEX Staff; Member Regulation Consideration

(a) Initiation by FINRA

(1) Issuance of Notice of Disqualification or Ineligibility

If IEX Regulation staff has reason to believe, or if FINRA staff advises IEX that it has reason to believe, that a disqualification exists or that a Member or person associated with a Member, or applicant thereof, otherwise fails to meet the eligibility requirements of IEX, IEX staff shall issue a written notice to the Member or applicant for membership under IEX Rule 2.170(d). The notice shall specify the grounds for such disqualification or ineligibility. IEX staff shall not issue such written notice to Members or applicants for membership under IEX Rule 2.160(d) with respect to disqualifications arising solely from findings or orders specified in Section 15(b)(4)(D), (E), or (H) of the Exchange Act or arising under Section 3(a)(39)(E) of the Exchange Act, unless the Member or applicant for membership under IEX Rule 2.160(d) is required to file an application pursuant to Supplementary Material .01 to this IEX Rule 9.522.

(2) Notice Regarding a Member

A notice issued to a disqualified Member shall state that the disqualified Member may apply for relief by filing an application or, in the case of a matter set forth in IEX Rule 9.522(e)(1), a written request for relief, within ten business days after service of the notice. If the Member fails to file the application or, where appropriate, the written request for relief, within the 10-day period, the membership of the Member shall be canceled, unless IEX Regulation grants an extension for good cause shown.

(3) Notice Regarding an Associated Person

A notice issued regarding a disqualified person to a Member or applicant for membership under IEX Rule 2.160(a)(3) shall state that such Member or applicant for membership may file an application on behalf of itself and such person or, in the case of a matter set forth in IEX Rule 9.522(e)(1), a written request for relief, within ten business days after service of the notice. If the Member fails to file the application or, where appropriate, the written request for relief, within the 10-day period, the registration of the disqualified person shall be revoked, unless IEX Regulation grants an extension for good cause shown.

(4) Service

A notice issued under this paragraph (a) shall be served by facsimile, electronic mail, or pursuant to IEX Rules 9.131 and 9.134.

(b) Obligation of Member to Initiate Proceeding

(1) A Member shall file an application or, in the case of a matter set forth in IEX Rule 9.522(e)(1), a written request for relief, with RAD, if the Member determines prior to receiving a notice under paragraph (a) that:

(A) it has become a disqualified Member;

(B) a person associated with such Member or whose association is proposed by an applicant for membership under IEX Rule 2.160(a)(3) has become a disqualified person; or

(C) the Member or applicant for membership under IEX Rule 2.160(a)(3) wishes to sponsor the association of a person who is a disqualified person.

(2) For any disqualifications arising solely from findings or orders specified in Section 15(b)(4)(D), (E), or (H) of the Exchange Act or arising under Section 3(a)(39)(E) of the Exchange Act, a Member shall not file an application unless instructed to do so pursuant to Supplementary Material .01 to this IEX Rule 9.522.

(c) Withdrawal of Application

A Member may withdraw its application or written request for relief prior to a hearing by filing a written notice with RAD pursuant to IEX Rules 9.135, 9.136, and 9.137. A Member may withdraw its application after the start of a hearing but prior to the issuance of a decision by the IEX Appeals Committee by filing a written notice with RAD and the Office of General Counsel pursuant to IEX Rules 9.135, 9.136, and 9.137.

(d) Ex Parte Communications

The prohibitions against ex parte communications set forth in IEX Rule 9.143 shall become effective under the IEX Rule 9.520 when IEX staff has initiated the eligibility proceeding and IEX staff has knowledge that a Member intends to file an application or written request for relief pursuant to IEX Rule 9.520.

(e) Member Regulation Consideration

(1) Matters that may be Approved by IEX Regulation without the Filing of an Application

IEX Regulation, as it deems consistent with the public interest and the protection of investors, is authorized to approve a written request for relief from the eligibility requirements by a disqualified Member or a sponsoring Member without the filing of an application by such disqualified Member or sponsoring Member if a disqualified Member or disqualified person is subject to one or more of the following conditions but is not otherwise subject to disqualification:

(A) a disqualified Member or disqualified person is subject to a disqualification based on an injunction that was entered ten or more years prior to the proposed admission or continuance by order, judgment, or decree of any court of competent jurisdiction from acting as an investment adviser, underwriter, broker, dealer, municipal securities dealer, government securities broker, government securities dealer, transfer agent, foreign person performing a function substantially equivalent to any of the above, entity or person required to be registered under the Commodity Exchange Act, or any substantially equivalent foreign statute or regulation, or as an affiliated person or employee of any investment company, bank, insurance company, foreign entity substantially equivalent to any of the above, or entity or person required to be registered under the Commodity Exchange Act or any substantially equivalent foreign statute or regulation, or from engaging in or continuing any conduct or practice in connection with any such activity, or in connection with the purchase or sale of any security.

(B) a sponsoring Member makes a request to change the supervisor of a disqualified person; or

(C) a disqualified Member or sponsoring Member is a Member of both IEX and another self-regulatory organization; and:

(i) the other self-regulatory organization intends to file a Notice under Exchange Act Rule 19h-1 approving the membership continuance of the disqualified Member or, in the case of a sponsoring Member, the proposed association or continued association of the disqualified person; and

(ii) IEX Regulation concurs with that determination.

(2) Matters that may be Approved by IEX Regulation after the Filing of an Application

IEX Regulation, as it deems consistent with the public interest and the protection of investors, is authorized to approve an application filed by a disqualified Member or sponsoring Member if the disqualified Member or disqualified person is subject to one or more of the following conditions but is not otherwise subject to disqualification (other than a matter set forth in paragraph (e)(1)):

(A) The disqualified person is already a participant in, a Member of, or a person associated with a Member of, a self-regulatory organization (other than IEX), and the terms and conditions of the proposed admission to IEX are the same in all material respects as those imposed or not disapproved in connection with such person's prior admission or continuance pursuant to an order of the SEC under Exchange Act Rule 19h-1 or other substantially equivalent written communication;

(B) IEX Regulation finds, after reasonable inquiry, that except for the identity of the employer concerned, the terms and conditions of the proposed admission or continuance are the same in all material respects as those imposed or not disapproved in connection with a prior admission or continuance of the disqualified person pursuant to an order of the SEC under Exchange Act Rule 19h-1 or other substantially equivalent written communication, and that there is no intervening conduct or other circumstance that would cause the employment to be inconsistent with the public interest or the protection of investors;

(C) The disqualification previously was a basis for the institution of an administrative proceeding pursuant to a provision of the federal securities laws, and was considered by the SEC in determining a sanction against such disqualified person in the proceeding; and the SEC concluded in such proceeding that it would not restrict or limit the future securities activities of such disqualified person in the capacity now proposed, or, if it imposed any such restrictions or limitations for a specified time period, such time period has elapsed;

(D) The disqualification consists of a court order or judgment of injunction or conviction, and such order or judgment:

(i) expressly includes a provision that, on the basis of such order or judgment, the SEC will not institute a proceeding against such person pursuant to Section 15(b) or 15B of the Exchange Act or that the future securities activities of such persons in the capacity now proposed will not be restricted or limited; or

(ii) includes such restrictions or limitations for a specified time period and such time period has elapsed;

(E) The disqualified person's functions are purely clerical and/or ministerial in nature; or

(F) The disqualification arises from findings or orders specified in Section 15(b)(4)(D), (E), or (H) of the Exchange Act or arises under Section 3(a)(39)(E) of the Exchange Act.

(3) Rights of Disqualified Member, Sponsoring Member, Disqualified Person, and IEX Regulation

(A) In the event IEX Regulation does not approve a written request for relief from the eligibility requirements pursuant to paragraph (e)(1), the disqualified Member or sponsoring Member may file an application, and such Member shall have the right to proceed under IEX Rules 9.523 or 9.524, as applicable. IEX Regulation may require a disqualified Member or sponsoring Member to file an application with RAD, notwithstanding the provisions of paragraph (e)(1).

(B) In the event IEX Regulation does not approve an application pursuant to paragraph (e)(2), the disqualified Member or sponsoring Member shall have the right to proceed under IEX Rules 9.523 or 9.524, as applicable.

• • • Supplementary Material • • •

.01 Membership Application Requirements for Members and Persons Associated with a Member Who Are or Become Subject to a Statutory Disqualification.

This Supplementary Material describes when an IEX Member or Person Associated with a Member who is or becomes subject to a Statutory Disqualification must file a membership application.

(a) Statutory Disqualifications Arising from Willful Violations or Failure to Supervise (Exchange Act Section 15(b)(4)(D) or (E). With respect to disqualifications arising solely from findings specified in Exchange Act Section 15(b)(4)(D) or (E) by the SEC, CFTC or an SRO as defined in the Uniform Forms (i.e., Form U4, Form U5 and Form BD), a member shall file an application with IEX Regulation ("IEX Regulation") if the sanction is still in effect and:

(1) the disqualified member or person is seeking admission or readmission to the securities industry; or

(2) the disqualified member or person is seeking to continue in membership or association with a member, unless

(A) such member or person was as of March 17, 2009, a member of, or an associated person of another SRO and was, as of March 17, 2009, subject to the disqualification, in which event the member shall file an application with IEX Regulation only if there is a change in employer or if the member makes an application for the registration of the person as a principal pursuant to IEX rules.*

(b) Statutory Disqualifications Arising from Sarbanes-Oxley Act (Exchange Act Section 15(b)(4)(H). With respect to disqualifications arising solely from orders specified in Exchange Act Section 15(b)(4)(H)(i) and (ii), a member shall file an application with IEX Regulation if:

(1) the disqualified member or person is seeking admission or readmission to, or continuance in, the securities industry, unless:

*(A) such member or person is subject to a final order pursuant to Section 15(b)(4)(H)(ii)9**; and*

(B) the sanctions do not involve licensing or registration revocation or suspension (or analogous sanctions), and the sanctions are no longer in effect, in which event an application need not be filed; or

(C) *the sanctions do involve licensing or registration revocation or suspension (or analogous sanctions), the sanctions are no longer in effect, and the order was entered 10 or more years ago, in which event an application need not be filed.*

However, if the disqualified member or person was, as of March 17, 2009, a member of, or an associated person of a member of, another SRO and was, as of March 17, 2009, subject to a final order as described in Section 15(b)(4)(H)(ii) and:*

(2) the sanctions do not involve licensing or registration revocation or suspension (or analogous sanctions), and the sanctions are still in effect, the member shall file an application with IEX Regulation only if there is a change in employer, or if the member makes an application for the registration of the person as a principal pursuant to IEX rules; or

(3) the sanctions do involve licensing or registration revocation or suspension (or analogous sanctions), and the sanctions are no longer in effect, and the order was entered within the prior 10 years, the member shall file an application with IEX Regulation only if there is a change in employer, or if the member makes an application for the registration of the person as a principal pursuant to IEX rules.

Moreover, where such member or person was, as of March 17, 2009, a member of, or an associated person of a member of another SRO and was, as of March 17, 2009, subject to a bar as described in Exchange Act Section 15(b)(4)(H)(i), and the bar is still in effect*** (and is not related to fraudulent, manipulative, or deceptive conduct), the member shall file an application with IEX Regulation only if there is a change in employer or if the member makes an application for the registration of the person as a principal pursuant to IEX rules.*

(c) Statutory Disqualifications under Exchange Act Section 3(a)(39)(E) – Certain Affiliated Relationships

With respect to disqualifications arising solely under Section 3(a)(39)(E) of the Exchange Act, a member shall file an application with IEX Regulation if:

(1) the disqualified member or person is seeking admission or readmission to, or continuance in, the securities industry and the disqualified member or person is subject to a statutory disqualification under Exchange Act Section 3(a)(39)(E), solely because such member or person has associated with him any person who is known, or in the exercise of reasonable care should be known, to the disqualified member or person to be a person described by Exchange Act Section 3(a)(39)(A), (B), (C) or (D), and the associated person:

(A) controls such disqualified member or person, is a general partner or officer (or person occupying a similar status or performing similar functions) of such disqualified member, is an employee, who, on behalf of such disqualified member, is engaged in securities advertising, public relations, research, sales, trading, or training or supervision of other employees who engage or propose to engage in such activities, except clerical and ministerial persons engaged in such activities, or is an employee with access to funds, securities or books and records, or

(B) is a broker or dealer not registered with the SEC, or controls such (unregistered) broker or dealer, or is a general partner or officer (or person occupying a similar status or performing similar functions) of such broker or dealer.

However, the disqualified member or person seeking to continue in the securities industry is not required to file an application where such member or person was, as of March 17, 2009, a member of, or an associated person of a member of another SRO and was, as of March 17, 2009, subject to the disqualification.

** An associated person for purposes of IEX Rule 9.522 would include a person that was associated with a member of another SRO within 45 days prior to March 17, 2009, provided that the person was associated with another member of another SRO within 45 days after March 17, 2009.*

*** This would include a finding of aiding and abetting a violation of such laws.*

**** A person would no longer be subject to a statutory disqualification when the time limitation of a bar or license revocation has expired, provided that (1) application for reentry is not required or has been granted: (2) the bar or revocation has no continuing*

effect; and (3) the bar was not issued in connection with a final order based on violations of laws or regulations prohibiting fraudulent, manipulative or deceptive conduct, as described in Exchange Act Section 15(b)(4)(H)(ii). As an example, a person subject to a statutory disqualification based on a three-month bar (or three-year bar) that ends automatically and has no continuing effect would no longer be subject to a statutory disqualification at the end of the three months (or three years) under Exchange Act Section 15(b)(4)(H)(i), unless the bar was issued in connection with a final order based on violations of laws or regulations prohibiting fraudulent, manipulative or deceptive conduct, as described in Exchange Act Section 15(b)(4)(H)(ii).

(Amended by SR-IEX-2023-04 eff. Apr. 3, 2023).

Rule 9.523. Acceptance of IEX Regulation Recommendations and Supervisory Plans by Consent Pursuant to Exchange Act Rule 19h-1

(a) With respect to all disqualifications, except those arising solely from findings or orders specified in Section 15(b)(4)(D), (E) or (H) of the Exchange Act or arising under Section 3(a)(39)(E) of the Exchange Act, after an application is filed, IEX Regulation may recommend the membership or continued membership of a disqualified Member or sponsoring Member or the association or continuing association of a disqualified person pursuant to a supervisory plan where the disqualified Member, sponsoring Member, and/or disqualified person, as the case may be, consent to the recommendation and the imposition of the supervisory plan. The disqualified Member, sponsoring Member, and/or disqualified person, as the case may be, shall execute a letter consenting to the imposition of the supervisory plan.

(1) If a disqualified Member, sponsoring Member, and/or disqualified person submitted an executed letter consenting to a supervisory plan, by the submission of such letter, the disqualified Member, sponsoring Member and/or disqualified person waive:

(A) the right to a hearing before a Hearing Panel and any right of appeal to the IEX Appeals Committee, the SEC, and the courts, or otherwise challenge the validity of the supervisory plan, if the supervisory plan is accepted.

(B) any right of the disqualified Member, sponsoring Member, and/or disqualified person to claim bias or prejudgment by IEX Regulation, the Chief Regulatory Officer, the IEX Appeals Committee, or any Member of the IEX Appeals Committee, in connection with such person's or body's participation in discussions regarding the terms and conditions of IEX Regulation's recommendation or the supervisory plan, or other consideration of the recommendation or supervisory plan, including acceptance or rejection of such recommendation or supervisory plan; and

(C) any right of the disqualified Member, sponsoring Member, and/or disqualified person to claim that a person violated the ex parte prohibitions of IEX Rule 9.143 or the separation of functions prohibitions of IEX Rule 9.144, in connection with such person's or body's participation in discussions regarding the terms and conditions of the recommendation or supervisory plan, or other consideration of the recommendation or supervisory plan, including acceptance or rejection of such recommendation or supervisory plan.

(2) If a recommendation or supervisory plan is rejected, the disqualified Member, sponsoring Member, and/or disqualified person shall be bound by the waivers made under paragraph (a)(1) for conduct by persons or bodies occurring during the period beginning on the date the supervisory plan was submitted and ending upon

the rejection of the supervisory plan and shall have the right to proceed under this IEX Rule and IEX Rule 9.524, as applicable.

(3) If the disqualified Member, sponsoring Member, and/or disqualified person execute the letter consenting to the supervisory plan, it shall be submitted to the Office of General Counsel by IEX Regulation with a proposed Notice under Exchange Act Rule 19h-1, where required. The Office of General Counsel shall forward the supervisory plan and proposed Notice under Exchange Act Rule 19h-1, if any, to the Chair of IEX Appeals Committee, acting on behalf of the Board. The Chair of the IEX Appeals Committee may accept or reject the recommendation of IEX Regulation.

(4) If the recommendation and supervisory plan is accepted by the IEX Appeals Committee, it shall be deemed final and, where required, the proposed Notice under Exchange Act Rule 19h-1 will be filed by IEX. If the recommendation and supervisory plan are rejected by the IEX Appeals Committee, IEX may take any other appropriate action with respect to the disqualified Member, sponsoring Member, and/or disqualified person. If the recommendation and supervisory plan are rejected, the disqualified Member, sponsoring Member, and/or disqualified person shall not be prejudiced by the execution of the letter consenting to the supervisory plan under this paragraph (a) and the letter may not be introduced into evidence in any proceeding.

(b) With respect to disqualifications arising solely from findings or orders specified in Section 15(b)(4)(D), (E) or (H) of the Exchange Act or arising under Section 3(a)(39)(E) of the Exchange Act, after an application is filed, in approving an application under IEX Rule 9.522(e)(2)(F), IEX Regulation is authorized to accept the Membership or continued Membership of a disqualified Member or sponsoring Member or the association or continuing association of a disqualified person pursuant to a supervisory plan where the disqualified Member, sponsoring Member, and/or disqualified persons, as the case may be, consent to the imposition of the supervisory plan. The disqualified Member, sponsoring Member, and/or disqualified person, as the case may be, shall execute a letter consenting to the imposition of the supervisory plan. IEX Regulation shall prepare a proposed Notice under Exchange Act Rule 19h-1, where required, and IEX shall file such Notice.

(1) If a disqualified Member, sponsoring Member, and/or disqualified person submitted an executed letter consenting to a supervisory plan, by the submission of such letter, the disqualified Member, sponsoring Member and/or disqualified person waive:

(A) the right to a hearing before a Hearing Panel and any right of appeal to the IEX Appeals Committee, the SEC, and the courts, or otherwise challenge the validity of the supervisory plan, if the supervisory plan is accepted;

(B) any right of the disqualified Member, sponsoring Member, and/or disqualified person to claim bias or prejudgment by IEX Regulation or the Chief Regulatory Officer in connection with such person's or body's participation in discussions regarding the terms and conditions of IEX Regulation's recommended supervisory plan, or other consideration of the supervisory plan, including acceptance or rejection of such recommendation or supervisory plan; and

(C) any right of the disqualified Member, sponsoring Member, and/or disqualified person to claim that a person violated the ex parte prohibitions of IEX Rule 9.143 or the separation of functions prohibitions of IEX Rule 9.144, in connection with such person's or body's participation in discussions regarding the terms

and conditions of the supervisory plan, or other consideration of the supervisory plan, including acceptance or rejection of such supervisory plan.

(2) If the supervisory plan is rejected, the disqualified Member, sponsoring Member, and/or disqualified person shall be bound by the waivers made under paragraph (b)(1) for conduct by persons or bodies occurring during the period beginning on the date the supervisory plan was submitted and ending upon the rejection of the supervisory plan and shall have the right to proceed under IEX Rule 9.524.

Rule 9.524. IEX Appeals Committee Consideration

(a) Hearing Panel Consideration

(1) Appointment of Hearing Panel

When the disqualified Member, sponsoring firm, or applicant requests a hearing, the Chief Hearing Officer shall appoint a Hearing Panel composed of two or more members of the hearing board. The Hearing Panel shall conduct a hearing and recommend a decision on the request for relief.

(2) Notice of Hearing

The disqualified Member or sponsoring Member, as the case may be, and IEX Regulation shall be notified via mail, facsimile, or overnight courier of the location, time, and date of the hearing not less than fourteen business days before the hearing, unless the parties agree to shorten the time period.

(3) Transmission of Documents

(A) Upon receipt of an application, RAD shall gather all of the information necessary to process the application, including (i) RAD records for the disqualified Member, sponsoring Member, and/or disqualified person, as the case may be, and the proposed supervisor; and (ii) all of the information submitted by the disqualified Member or sponsoring Member in support of the application. RAD will prepare an index of these documents, and simultaneously provide this index and copies of the documents to the disqualified Member or sponsoring Member, as the case may be, the Office of the General Counsel, and IEX Regulation. Such documents shall be served on the disqualified Member or sponsoring Member, as the case may be, by electronic mail, mail, facsimile, or overnight courier as soon as practicable. IEX Regulation, or FINRA on its behalf, shall serve its recommendation and its supporting documents on the Office of General Counsel and the disqualified Member or sponsoring Member, as the case may be, within ten business days of the hearing, unless the Parties agree otherwise. Such documents shall be served by electronic mail, unless an alternative method of service is ordered by the Adjudicator. The disqualified Member or sponsoring Member, as the case may be, shall serve its documents on the Office of General Counsel and IEX Regulation within ten business days of the hearing, unless the Parties agree otherwise. Such documents shall be served by electronic mail, unless an alternative method of service is ordered by the Adjudicator. The Office of General Counsel shall forward all documents transmitted to it pursuant to this paragraph (a)(3) to the Hearing Panel.

(B) Not less than ten business days before the hearing, IEX Regulation, or FINRA on its behalf, which shall act as a Party in the eligibility proceeding, and the disqualified Member or sponsoring Member, as the case may be, shall serve proposed exhibit and witness lists on each other and the Office of General Counsel. When acting on behalf of IEX Regulation as a Party in the eligibility proceeding, FINRA shall serve its

exhibit and witness lists by electronic mail, facsimile, or overnight courier. IEX Regulation and the disqualified member or sponsoring organization, as the case may be, shall serve its exhibit and witness lists by electronic mail, unless an alternative method of service is ordered by the Adjudicator.

(C) At any time prior to the issuance of its recommendation, the Hearing Panel may order the Parties to supplement the record with any additional information that the Hearing Panel deems necessary.

(4) Rights of Disqualified Member, Sponsoring Member, Disqualified Person, and Department of Member Regulation

The disqualified Member, sponsoring Member, and/or disqualified person, as the case may be, and, IEX Regulation, or FINRA on its behalf, shall be entitled to be heard in person, to be represented by an attorney, and to submit any relevant evidence.

(5) Extensions of Time, Postponements, and Adjournments

At any time prior to the issuance of the decision of the Hearing Panel, after obtaining consent of all the Parties, the Hearing Panel may shorten any time limits prescribed by the Code for the filing of any papers and may postpone or adjourn any hearing. The Hearing Panel may extend any time limits prescribed by the Code for the filing of any papers.

(6) Recordation of Hearing

The hearing shall be recorded and a transcript prepared by a court reporter. The disqualified Member, sponsoring Member, and/or disqualified person, as the case may be, may purchase a copy of the transcript from the court reporter at prescribed rates. A witness may purchase a copy of the transcript of his or her own testimony from the court reporter at prescribed rates. Proposed corrections to the transcript may be submitted by affidavit to the Hearing Panel within a reasonable time determined by the Hearing Panel. Upon notice to the participants in the hearing, the Hearing Panel may order corrections to the transcript as requested or sua sponte.

(7) Record

The record shall consist of:

(A) the notice issued pursuant to IEX Rule 9.522(a), if applicable;

(B) all documents relied upon in issuing the notice under IEX Rule 9.522(a), if applicable;

(C) the application for relief filed pursuant to IEX Rule 9.522(b);

(D) any other submissions by the disqualified Member, sponsoring Member, and/or disqualified person, as the case may be, and the Department of Member Regulation;

(E) any evidence considered at the hearing; and

(F) the transcript of the hearing and any corrections thereto.

(8) Custodian of the Record

The custodian of the record shall be the Office of General Counsel of IEX.

(9) Evidence Not Admitted

Evidence that is proffered but not admitted during the hearing shall not be part of the record, but shall be retained by the custodian of the record until the date when IEX's decision becomes final or, if applicable, upon the conclusion of any review by the SEC or the federal courts.

(10) Recommendation

On the basis of the record, the Hearing Panel shall present a recommended decision in writing on the request for relief to the IEX Appeals Committee. Notwithstanding the foregoing, with respect to an IEX member that is an affiliate of IEX within the meaning of IEX Rule 2.210, the Hearing Panel shall prepare a final decision meeting the requirements of IEX Rule 9524(b)(2), which shall not be reviewed by the IEX Appeals Committee, and may not be called for review by the IEX Board pursuant to IEX Rule 9.525.

(b) Decision

(1) Decision of the IEX Appeals Committee

After considering the record and recommendation of the Hearing Panel, the public interest, and the protection of investors, the IEX Appeals Committee may grant or deny the request for relief, and, if relief is granted, impose conditions on the disqualified member, sponsoring member, and/or disqualified person, as the case may be. At any time prior to the issuance of its recommendation, the IEX Appeals Committee may order the Parties to supplement the record with any additional information that the IEX Appeals Committee deems necessary. Alternatively, the IEX Appeals Committee may remand the eligibility proceeding. The IEX Appeals Committee shall prepare a proposed written decision pursuant to subparagraph (b)(2).

(2) Contents of Decision

The decision shall include:

(A) a description of the origin of the eligibility proceeding and the nature of the disqualification;

(B) a description of the prospective business or employment requested to be engaged in; and

(C) a statement in support of the disposition of the request for relief, which, if granted, includes any of the applicable elements under Exchange Act Rule 19h-1(e) and a description of any conditions that are imposed on the disqualified Member, sponsoring Member, or disqualified person, as the case may be.

(3) Issuance of Decision After Expiration of Call for Review Period

The IEX Appeals Committee shall provide its proposed written decision to the Board. The Board may call the eligibility proceeding for review pursuant to IEX Rule 9.525. If the Board does not call the eligibility proceeding for review, the proposed written decision of the IEX Appeals Committee shall become final, and the IEX Appeals Committee shall serve its written decision on the disqualified Member, sponsoring Member, and/or disqualified person, as the case may be, and IEX Regulation pursuant to IEX Rules 9.132 and 9.134, and may serve its written decision by electronic mail. The decision shall constitute final action of IEX, unless the IEX Appeals Committee remands the eligibility proceeding.

A decision to deny re-entry or continued association shall be effective immediately. A decision to approve shall be effective after the SEC issues an acknowledgment letter or, in cases involving SEC ordered sanctions, an order.

(c) Service by Electronic Mail; When Service is Complete

For purposes of Rule 9.524, service by electronic mail shall be deemed complete upon sending the documents or decision.

(Amended by SR-IEX-2023-04 eff. Apr. 3, 2023).

Rule 9.525. Discretionary Review by the IEX Board

(a) Call for Review by Director

A Director may call an eligibility proceeding for review by the Board if the call for review is made within the period prescribed in paragraph (b).

(b) 15 Day Period; Waiver

A Director shall make his or her call for review not later than the next meeting of the Board that is at least 15 days after the date on which the Board receives the proposed written decision of the IEX Appeals Committee. By a unanimous vote of the Board, the Board may shorten the period to less than 15 days. By an affirmative vote of the majority of the Board then in office, the Board may, during the 15 day period, vote to extend the period to more than 15 days.

(c) Review at Next Meeting

If a Director calls an eligibility proceeding for review within the period prescribed in paragraph (b), the Board shall review the eligibility proceeding not later than the next meeting of the Board. The Board may order the filing of briefs in connection with its review proceedings pursuant to this IEX Rule 9.525.

(d) Decision of IEX Board, Including Remand

After review, the Board may affirm, modify, or reverse the proposed written decision of the IEX Appeals Committee. Alternatively, the Board may remand the eligibility proceeding with instructions. The Board shall prepare a written decision that includes all of the elements described in IEX Rule 9.524(b)(2).

(e) Issuance of Decision

The Board shall issue and serve its written decision on the disqualified Member, sponsoring Member, and/or disqualified person, as the case may be, and the Department of Member Regulation pursuant to IEX Rules 9.132 and 9.134, and may serve the decision on the disqualified party by electronic mail. Service by electronic mail shall be deemed complete upon sending the decision. The decision shall constitute the final action of IEX, unless the Board remands the proceeding. A decision to deny re-entry or continued association shall be effective immediately. A decision to approve shall be effective after the SEC issues an acknowledgment letter or, in cases involving SEC-ordered sanctions, an order.

(Amended by SR-IEX-2023-04 eff. Apr. 3, 2023).

Rule 9.526. Expedited Review

(a) Direction by Executive Committee

Notwithstanding IEX Rules 9.524 and 9.525, the Board, upon request of the IEX Appeals Committee, may conduct an expedited review of a recommended written decision of the IEX Appeals Committee if the IEX Board Executive Committee determines that expedited review is necessary for the protection of investors.

(b) Call for Review Period

If a recommended decision is subject to expedited review, a Director may call the eligibility proceeding for review within seven days after receipt of the recommended written decision.

(c) No Call for Review

If no Director calls the proceeding for review within the time prescribed, the decision shall become final, and the IEX Appeals Committee shall serve the decision on the disqualified Member, sponsoring Member, and/or disqualified person, as the case may be, and IEX Regulation pursuant to IEX Rules 9.132 and 9.134. The decision shall constitute final action of IEX. The decision shall be effective upon approval by the SEC.

(d) Call for Review

If a Director calls the eligibility proceeding for review within the prescribed time, a review panel shall meet and conduct a review not later than 14 days after the call for review. The review panel shall be composed of the IEX Board Executive Committee, except that the Director who calls the proceeding for review shall serve on the review panel in lieu of a Member of the Executive Committee who has the same classification (Industry or Public) as such Director. The review panel may affirm, modify, or reverse the recommended written decision of the IEX Appeals Committee or remand the eligibility proceeding with instructions. The review panel shall prepare, issue, and serve its decision pursuant to IEX Rule 9.525(d) and (e).

Rule 9.527. Application to SEC for Review

The right to have any action taken pursuant to this IEX Rule Series reviewed by the SEC is governed by Section 19 of the Exchange Act. The filing of an application for review shall not stay the effectiveness of final action by IEX, unless the SEC otherwise orders.

Rule Series 9.550. EXPEDITED PROCEEDINGS

Rule 9.551. Reserved.

Rule 9.552. Failure to Provide Information or Keep Information Current

(a) Notice of Suspension of Member, Person Associated with a Member or Person Subject to IEX's Jurisdiction if Corrective Action is Not Taken

If a Member, person associated with a Member or person subject to IEX's jurisdiction fails to provide any information, report, material, data, or testimony requested or required to be filed pursuant to the IEX Operating Agreement or IEX Rules, or fails to keep its membership application or supporting documents current, IEX staff may provide written

notice to such Member or person specifying the nature of the failure and stating that the failure to take corrective action within 21 days after service of the notice will result in suspension of membership or of association of the person with any Member.

(b) Service of Notice of Suspension

Except as provided below, IEX staff shall serve the Member or person with such notice in accordance with IEX Rule 9.134. A copy of a notice under this IEX Rule that is served on a person associated with a Member also shall be served on such Member. When counsel for the Member or person, or other person authorized to represent others under IEX Rule 9.141 agrees to accept service of such notice, then IEX staff may serve notice on counsel or other person authorized to represent others under IEX Rule 9.141 as specified in IEX Rule 9.134.

(c) Contents of Notice

A notice issued under this IEX Rule shall state the specific grounds and include the factual basis for the IEX action. The notice shall state when the IEX action will take effect and explain what the respondent must do to avoid such action. The notice shall state that the respondent may file a written request for a hearing with the Office of Hearing Officers pursuant to IEX Rule 9.559. The notice also shall inform the respondent of the applicable deadline for filing a request for a hearing and shall state that a request for a hearing must set forth with specificity any and all defenses to the IEX action. In addition, the notice shall explain that, pursuant to IEX Rules 8.310(a) and 9.559(n), a Hearing Officer or, if applicable, Hearing Panel, may approve, modify or withdraw any and all sanctions or limitations imposed by the notice, and may impose any other fitting sanction.

(d) Effective Date of Suspension

The suspension referenced in a notice issued and served under this IEX Rule shall become effective 21 days after service of the notice, unless stayed by a request for a hearing pursuant to IEX Rule 9.559.

(e) Request for Hearing

A Member or person served with a notice under this IEX Rule may file with the Office of Hearing Officers a written request for a hearing pursuant to IEX Rule 9.559. A request for a hearing shall be made before the effective date of the notice, as indicated in paragraph (d) of this IEX Rule. A request for a hearing must set forth with specificity any and all defenses to the IEX action.

(f) Request for Termination of the Suspension

A Member or person subject to a suspension pursuant to this IEX Rule may file a written request for termination of the suspension on the ground of full compliance with the notice or decision. Such request shall be filed with IEX Regulation. The Chief Regulatory Officer, or delegatee, may grant relief for good cause shown.

(g) Settlement Procedure

Uncontested offers of settlement shall be permitted under this IEX Rule and shall conform to the requirements of IEX Rule 9.270, except that, if an uncontested offer of settlement, made under IEX Rule 9.270(e) after a hearing on the merits has begun, is accepted by the Hearing Officer, the Hearing Officer shall issue the order of acceptance, which shall constitute final IEX action. Contested offers of settlement shall not be considered in proceedings initiated under this IEX Rule.

(h) Defaults

A Member or person who is suspended under this IEX Rule and fails to request termination of the suspension within three months of issuance of the original notice of suspension will automatically be expelled or barred.

Rule 9.553. Failure to Pay IEX Dues, Fee and Other Charges

(a) Notice of Suspension, Cancellation or Bar

If a Member, person associated with a Member or person subject to IEX 's jurisdiction fails to pay any fees, dues, assessment or other charge required to be paid under the IEX Operating Agreement or rules, or to submit a required report or information related to such payment, IEX Regulation may issue a written notice to such Member or person stating that the failure to comply within 21 days of service of the notice will result in a suspension or cancellation of membership or a suspension or bar from associating with any Member.

(b) Service of Notice of Suspension, Cancellation or Bar

Except as provided below, IEX Regulation shall serve the Member or person with such notice in accordance with IEX Rule 9.134. A copy of a notice under this IEX Rule that is served on a person associated with a Member also shall be served on such Member. When counsel for the Member or person, or other person authorized to represent others under IEX Rule 9.141 agrees to accept service of such notice, then IEX Regulation may serve notice on counsel or other person authorized to represent others under IEX Rule 9.141 as specified in IEX Rule 9.134.

(c) Contents of Notice

A notice issued under this IEX Rule shall state the specific grounds and include the factual basis for the IEX action. The notice shall state when the IEX action will take effect and explain what the respondent must do to avoid such action. The notice shall state that the respondent may file a written request for a hearing with the Office of Hearing Officers pursuant to IEX Rule 9.559. The notice also shall inform the respondent of the applicable deadline for filing a request for a hearing and shall state that a request for a hearing must set forth with specificity any and all defenses to the IEX action. In addition, the notice shall explain that, pursuant to IEX Rules 8.310(a) and 9.559(n), a Hearing Officer or, if applicable, Hearing Panel, may approve, modify or withdraw any and all sanctions or limitations imposed by the notice, and may impose any other fitting sanction.

(d) Effective Date of Suspension, Cancellation or Bar

The suspension, cancellation or bar referenced in a notice issued and served under this IEX Rule shall become effective 21 days after service of the notice, unless stayed by a request for a hearing pursuant to IEX Rule 9.559.

(e) Request for Hearing

A Member or person served with a notice under this IEX Rule may file with the Office of Hearing Officers a written request for a hearing pursuant to IEX Rule 9.559. A request for a hearing shall be made before the effective date of the notice, as indicated in paragraph (d) of this IEX Rule. A request for a hearing must set forth with specificity any and all defenses to the IEX action.

(f) Failure to Request Hearing

If a Member or person does not timely request a hearing, the suspension, cancellation or bar specified in the notice shall become effective 21 days after service of the notice and the notice shall constitute final IEX action.

(g) Request for Termination of the Suspension

A Member or person subject to a suspension under this IEX Rule may file a written request for termination of the suspension on the ground of full compliance with the notice or decision. Such request shall be filed with IEX Regulation. The Chief Regulatory Officer, or delegatee, may grant relief for good cause shown.

Rule 9.554. Failure to Comply with an Arbitration Award or Related Settlement or an Order of Restitution or Settlement Providing for Restitution

(a) Notice of Suspension or Cancellation

If a Member, person associated with a Member or person subject to IEX 's jurisdiction fails to comply with an arbitration award or a settlement agreement related to an arbitration or mediation under Article X, Section 2 of the IEX Operating Agreement or an IEX order of restitution or IEX settlement agreement providing for restitution, IEX staff may provide written notice to such Member or person stating that the failure to comply within 21 days of service of the notice will result in a suspension or cancellation of membership or a suspension from associating with any Member. When a Member or associated person fails to comply with an arbitration award or a settlement agreement related to an arbitration or mediation under Article VI, Section 3 of the IEX Operating Agreement involving a customer, a claim of inability to pay is no defense.

(b) Service of Notice of Suspension or Cancellation

Except as provided below, IEX Regulation shall serve the Member or person with such notice in accordance with IEX Rule 9.134. A copy of a notice under this IEX Rule that is served on a person associated with a Member also shall be served on such Member. When counsel for the Member or person, or other person authorized to represent others under IEX Rule 9.141 agrees to accept service of such notice, then IEX Regulation may serve notice on counsel or other person authorized to represent others under IEX Rule 9.141 as specified in IEX Rule 9.134.

(c) Contents of Notice

A notice issued under this IEX Rule shall state the specific grounds and include the factual basis for the IEX action. The notice shall state when the IEX action will take effect and explain what the respondent must do to avoid such action. The notice shall state that the respondent may file a written request for a hearing with the Office of Hearing Officers pursuant to IEX Rule 9.559. The notice also shall inform the respondent of the applicable deadline for filing a request for a hearing and shall state that a request for a hearing must set forth with specificity any and all defenses to the IEX action. In addition, the notice shall explain that, pursuant to IEX Rules 8.310(a) and 9.559(n), a Hearing Officer or, if applicable, Hearing Panel, may approve, modify or withdraw any and all sanctions or limitations imposed by the notice, and may impose any other fitting sanction.

(d) Effective Date of Suspension or Cancellation

The suspension or cancellation referenced in a notice issued and served under this IEX Rule shall become effective 21 days after service of the notice, unless stayed by a request for a hearing pursuant to IEX Rule 9.559.

(e) Request for Hearing

A Member or person served with a notice under this IEX Rule may file with the Office of Hearing Officers a written request for a hearing pursuant to IEX Rule 9.559. A request for a hearing shall be made before the effective date of the notice, as indicated in paragraph (d) of this IEX Rule. A request for a hearing must set forth with specificity any and all defenses to the IEX action.

(f) Failure to Request Hearing

If a Member or person does not timely request a hearing, the suspension or cancellation specified in the notice shall become effective 21 days after the service of the notice and the notice shall constitute final IEX action.

(g) Request for Termination of the Suspension

A Member or person subject to a suspension under this IEX Rule may file a written request for termination of the suspension on the ground of full compliance with the notice or decision. Such request shall be filed with IEX Regulation. The Chief Regulatory Officer, or delegatee, may grant relief for good cause shown.

Rule 9.555. Failure to Meet the Eligibility or Qualification Standards or Prerequisites for Access to Services

(a) Notice to Member or Person of Suspension, Cancellation, Bar, or Limitation or Prohibition on Access to Services

(1) If a Member or an associated person does not meet the eligibility or qualification standards set forth in the IEX Operating Agreement or IEX Rules, IEX Regulation may provide written notice to such Member or person stating that the failure to become eligible or qualified will result in a suspension or cancellation of membership or a suspension or bar from associating with any Member.

(2) If a Member, associated person, or other person does not meet the prerequisites for access to services offered by IEX or a Member thereof or cannot be permitted to continue to have access to services offered by IEX or a Member thereof with safety to investors, creditors, Members, or IEX, IEX Regulation may provide written notice to such Member or person limiting or prohibiting access to services offered by IEX or a Member thereof.

(b) Service of Notice

Except as provided below, IEX Regulation shall serve the Member or person with such notice in accordance with IEX Rule 9.134. A copy of a notice under this IEX Rule that is served on a person associated with a Member also shall be served on such Member. When counsel for the Member or person, or other person authorized to represent others under IEX Rule 9.141 agrees to accept service of such notice, then IEX Regulation may serve notice on counsel or other person authorized to represent others under IEX Rule 9.141 as specified in IEX Rule 9.134.

(c) Contents of Notice

A notice issued under this IEX Rule shall state the specific grounds and include the factual basis for the IEX action. The notice shall state when the IEX action will take effect and explain what the respondent must do to avoid such action. The notice shall state that the respondent may file a written request for a hearing with the Office of Hearing Officers pursuant to IEX Rule 9.559. The notice also shall inform the respondent of the applicable deadline for filing a request for a hearing and shall state that a request for a hearing must set forth with specificity any and all defenses to the IEX action. In addition, the notice shall explain that, pursuant to IEX Rules 8.310(a) and 9.559(n), a Hearing Officer or, if applicable, Hearing Panel, may approve, modify or withdraw any and all sanctions or limitations imposed by the notice, and may impose any other fitting sanction.

(d) Effective Date of Limitation, Prohibition, Suspension, Cancellation or Bar

The limitation, prohibition, suspension, cancellation or bar referenced in a notice issued under this IEX Rule shall become effective 14 days after service of the notice, except that the effective date for a notice of a limitation or prohibition on access to services offered by IEX or a Member thereof with respect to services to which the Member or person does not have access shall be upon service of the notice. A request for a hearing, pursuant to IEX Rule 9.559, shall stay the effectiveness of the notice, except that the effectiveness of a notice of a limitation or prohibition on access to services offered by IEX or a Member thereof with respect to services to which the Member or person does not have access shall not be stayed by a request for a hearing.

(e) Request for Hearing

A Member or person served with a notice under this IEX Rule may file with the Office of Hearing Officers a written request for a hearing pursuant to IEX Rule 9.559. A request for a hearing shall be made within 14 days after service of the notice. A request for a hearing must set forth with specificity any and all defenses to the IEX action.

(f) Failure to Request Hearing

If a Member or person does not timely request a hearing, the limitation, prohibition, suspension, cancellation or bar specified in the notice shall become effective 14 days after service of the notice, except that the effective date for a notice of a limitation or prohibition on access to services offered by IEX or a Member thereof with respect to services to which the Member or person does not have access shall be upon service of the notice. The notice shall constitute final IEX action if the Member or person does not request a hearing within 14 days after service of the notice.

(g) Request for Termination of the Limitation, Prohibition or Suspension

A Member or person subject to a limitation, prohibition or suspension under this IEX Rule may file a written request for termination of the limitation, prohibition or suspension on the ground of full compliance with the notice or decision. Such request shall be filed with IEX Regulation. The Chief Regulatory Officer, or delegatee, may grant relief for good cause shown.

Rule 9.556. Failure to Comply with Temporary and Permanent Cease and Desist Orders

(a) Notice of Suspension, Cancellation or Bar

If a Member, person associated with a Member or person subject to IEX's jurisdiction fails to comply with a temporary or permanent cease and desist order issued under IEX Rule Series 9.200, 9.300, or 9.800, IEX staff, after receiving written authorization from IEX 's Chief Regulatory Officer or such other senior officer as the Chief Regulatory Officer may designate, may issue a notice to such Member or person stating that the failure to comply with the temporary or permanent cease and desist order within seven days of service of the notice will result in a suspension or cancellation of Membership or a suspension or bar from associating with any Member.

(b) Service of Notice

IEX Regulation shall serve the Member or person subject to a notice issued under this IEX Rule (or upon counsel representing the Member or person, or other person authorized to represent others under IEX Rule 9.141, when counsel or other person authorized to represent others under IEX Rule 9.141 agrees to accept service for the Member or person) by facsimile, overnight courier or personal delivery. Papers served on a Member, person or counsel for such Member or person, or other person authorized to represent others under IEX Rule 9.141 by overnight courier or personal delivery shall conform to paragraphs (a)(1) and (3) and, with respect to a Member or person, (b)(1) and (2) of IEX Rule 9.134. Papers served on a Member by facsimile shall be sent to the facsimile number listed in the Member's

contact questionnaire submitted to IEX pursuant to Article 4, Section III of the IEX Operating Agreement, except that, if IEX Regulation has actual knowledge that an entity's contact questionnaire facsimile number is out of date, duplicate copies shall be sent to the entity by overnight courier or personal delivery in conformity with paragraphs (a)(1) and (3) and (b)(2) of IEX Rule 9.134. Papers served on a person by facsimile shall be sent to the person's last known facsimile number and shall also be served by either overnight courier or personal delivery in conformity with paragraphs (a)(1) and (3) and (b)(1) of IEX Rule 9.134. Papers served on counsel for a Member or person, or other person authorized to represent others under IEX Rule 9.141 by facsimile shall be sent to the facsimile number that counsel or other person authorized to represent others under IEX Rule 9.141 provides and shall also be served by either overnight courier or personal delivery in conformity with paragraphs (a)(1) and (3) of IEX Rule 9.134. A copy of a notice under this IEX Rule that is served on a person associated with a Member also shall be served on such Member. Service is complete upon sending the notice by facsimile, mailing the notice by overnight courier or delivering it in person, except that, where duplicate service is required, service is complete upon sending the duplicate service.

(c) Contents of Notice

The notice shall explicitly identify the provision of the permanent or temporary cease and desist order that is alleged to have been violated and shall contain a statement of facts specifying the alleged violation. The notice shall state when the IEX action will take effect and explain what the respondent must do to avoid such action. The notice shall state that the respondent may file a written request for a hearing with the Office of Hearing Officers pursuant to IEX Rule 9.559. The notice also shall inform the respondent of the applicable deadline for filing a request for a hearing and shall state that a request for a hearing must set forth with specificity any and all defenses to the IEX action. In addition, the notice shall explain that, pursuant to IEX Rules 8.310(a) and 9.559(n), a Hearing Officer or, if applicable, Hearing Panel, may approve, modify or withdraw any and all sanctions or limitations imposed by the notice, and may impose any other fitting sanction.

(d) Effective Date of Suspension, Cancellation or Bar

The suspension, cancellation or bar referenced in a notice issued and served under this IEX Rule shall become effective seven days after service of the notice, unless stayed by a request for a hearing pursuant to IEX Rule 9.559.

(e) Request for a Hearing

A Member served with a notice under this IEX Rule may file with the Office of Hearing Officers a written request for a hearing pursuant to IEX Rule 9.559. A request for a hearing shall be made before the effective date of the notice, as indicated in paragraph (d) of this IEX Rule. A request for a hearing must set forth with specificity any and all defenses to the IEX action.

(f) Failure to Request Hearing

If a Member or person does not timely request a hearing, the suspension, cancellation or bar specified in the notice shall become effective seven days after the service of the notice and the notice shall constitute final IEX action.

(g) Request for Termination of the Suspension

A Member or person subject to a suspension under this IEX Rule may file a written request for termination of the suspension on the ground of full compliance with the notice or decision. Such request shall be filed with IEX Regulation. The Chief Regulatory Officer, or delegatee, may grant relief for good cause shown.

Rule 9.557. Procedures for Regulating Activities Under IEX Rules 4.110 and 4.120 Regarding a Member Experiencing Financial or Operational Difficulties

(a) Notice of Requirements and/or Restrictions; IEX Action

IEX Regulation may issue a notice directing a Member to comply with the provisions of IEX Rules 4.110 or 4.120 or restrict its business activities, either by limiting or ceasing to conduct those activities consistent with IEX Rules 4.110 or 4.120, if IEX Regulation has reason to believe that a condition specified in IEX Rules 4.110 or 4.120 or exists. A notice served under this IEX Rule shall constitute IEX action.

(b) Service of Notice

IEX Regulation shall serve the Member subject to a notice issued under this IEX Rule by facsimile, overnight courier, or personal delivery. Papers served on a Member by overnight courier or personal delivery shall conform to paragraphs (a)(1) and (3) and (b)(2) of IEX Rule 9.134. Papers served on a Member by facsimile shall be sent to the facsimile number listed in the Member's contact questionnaire submitted to IEX pursuant to Article 4, Section III of the IEX Operating Agreement, except that, if IEX staff has actual knowledge that an entity's contact questionnaire facsimile number is out of date, duplicate copies shall be sent to the entity by overnight courier or personal delivery in conformity with paragraphs (a)(1) and (3) and (b)(2) of IEX Rule 9.134. Service is complete upon sending the notice by facsimile, mailing the notice by overnight courier or delivering it in person, except that, where duplicate service is required, service is complete upon sending the duplicate service.

(c) Contents of Notice

A notice issued under this IEX Rule shall:

(1) state the specific grounds and include the factual basis for the IEX action;

(2) specify the date of the notice and the requirements and/or restrictions being imposed by the notice;

(3) state that the requirements and/or restrictions imposed by the notice are immediately effective;

(4) specify the conditions for complying with and, where applicable, avoiding or terminating the requirements and/or restrictions imposed by the notice;

(5) inform the Member that, pursuant to paragraph (f) of this IEX Rule, the failure to comply with the requirements and/or restrictions imposed by an effective notice under this IEX Rule shall be deemed, without further notice from IEX staff, to result in automatic and immediate suspension unless IEX staff issues a letter of withdrawal of all requirements and/or restrictions imposed by the notice pursuant to paragraph (g)(2) of this IEX Rule;

(6) explain that the Member may make a request for a letter of withdrawal of the notice pursuant to paragraph (e) of this IEX Rule;

(7) state that, in addition to making a request for a letter of withdrawal of the notice, the Member may file a written request for a hearing with the Office of Hearing Officers pursuant to IEX Rule 9.559;

(8) inform the Member of the applicable deadline for filing a request for a hearing and state that a request for a hearing must set forth with specificity any and all defenses to the IEX action; and

(9) explain that, pursuant to IEX Rule 9.559(n), a Hearing Panel may approve or withdraw the requirements and/or restrictions imposed by the notice, and that if the Hearing Panel approves the requirements and/or restrictions imposed by the notice and finds that the Member has not complied with all of them, the Hearing Panel shall impose an immediate suspension on the Member.

(d) Effectiveness of the Requirements and/or Restrictions

The requirements and/or restrictions imposed by a notice issued and served under this IEX Rule are immediately effective, except that a timely request for a hearing shall stay the effective date for ten business days after service of the notice or until the Office of Hearing Officers issues a written order under IEX Rule 9.559(o)(4)(A) (whichever period is less), unless IEX's Chief Regulatory Officer (or such other senior officer as the Chief Regulatory Officer may designate) determines that such a stay cannot be permitted with safety to investors, creditors or other Members. Such a determination by IEX's Chief Regulatory Officer (or such other senior officer as the Chief Regulatory Officer may designate) cannot be appealed. An extension of the stay period is not permitted. Where a timely request for a hearing stays the action for ten business days after service of the notice or until the Office of Hearing Officers issues a written order under IEX Rule 9.559(o)(4)(A) (whichever period is less), the notice shall not be deemed to have taken effect during that entire period.

Any requirements and/or restrictions imposed by an effective notice shall remain in effect unless IEX staff shall remove or reduce the requirements and/or restrictions pursuant to a letter of withdrawal of the notice issued as set forth in paragraph (g)(2) of this IEX Rule.

(e) Request for a Letter of Withdrawal of the Notice; Request for a Hearing

A Member served with a notice under this IEX Rule may request from IEX Regulation a letter of withdrawal of the notice pursuant to paragraph (g)(2) of this IEX Rule and/or file with the Office of Hearing Officers a written request for a hearing pursuant to IEX Rule 9.559.

(1) A request for a letter of withdrawal of the notice may be made at any time after service of a notice under this IEX Rule. The Member making the request must demonstrate to the satisfaction of IEX Regulation that the requirements and/or restrictions imposed by the notice should be removed or reduced. If such a request is denied by IEX Regulation, the Member shall not be precluded from making a subsequent request or requests.

(2) A request for a hearing shall be made within two business days after service of a notice under this IEX Rule. A request for a hearing must set forth with specificity any and all defenses to the IEX action. A request for a hearing may seek to contest:

(A) the validity of the requirements and/or restrictions imposed by the notice (as the same may have been reduced by a letter of withdrawal pursuant to paragraph (g)(2) of this IEX Rule, where applicable); and/or

(B) IEX Regulation's determination not to issue a letter of withdrawal of all requirements and/or restrictions imposed by the notice, if such was requested by the Member.

(f) Enforcement of Notice

A Member that has failed to comply with the requirements and/or restrictions imposed by an effective notice under this IEX Rule shall be deemed, without further notice from IEX Regulation, automatically and immediately suspended.

Such suspension shall remain in effect unless IEX Regulation shall issue a letter, pursuant to paragraph (g)(2) of this IEX Rule, stating that the suspension is lifted.

(g) Additional Requirements and/or Restrictions or the Removal or Reduction of Requirements and/or Restrictions; Letter of Withdrawal of the Notice

(1) Additional Requirements and/or Restrictions

If a Member continues to experience financial or operational difficulty specified in IEX Rules 4.110 or 4.120, notwithstanding an effective notice, IEX Regulation may impose additional requirements and/or restrictions by serving an additional notice under paragraph (b) of this IEX Rule. The additional notice shall inform the Member that it may apply for relief from the additional requirements and/or restrictions by filing a written request for a letter of withdrawal of the notice and/or a written request for a hearing before the Office of Hearing Officers under IEX Rule 9.559. The procedures delineated in this IEX Rule shall be applicable to such additional notice.

(2) Removal or Reduction of Requirements and/or Restrictions and/or Lifting of Suspension; Letter of Withdrawal

(A) Removal or Reduction of Requirements and/or Restrictions

If, upon the Member's demonstration to the satisfaction of IEX Regulation, IEX Regulation determines that any requirements and/or restrictions imposed by a notice under this IEX Rule should be removed or reduced, IEX Regulation shall serve the Member, pursuant to paragraph (b) of this IEX Rule, a written letter of withdrawal that shall, in the sole discretion of IEX Regulation, withdraw the notice in whole or in part. A notice that is withdrawn in part shall remain in force, unless IEX Regulation shall remove the remaining requirements and/or restrictions.

(B) Lifting of Suspension

If, upon the Member's demonstration to the satisfaction of IEX Regulation, IEX Regulation determines that a suspension imposed by a notice under this IEX Rule should be lifted, IEX Regulation shall serve the Member, pursuant to paragraph (b) of this IEX Rule, a letter that shall, in the sole discretion of IEX Regulation, lift the suspension. Where all or some of the requirements and/or restrictions imposed by a notice issued under this IEX Rule remain in force, the letter shall state that the Member's failure to continue to comply with those requirements and/or restrictions that remain effective shall result in the Member being immediately suspended.

Rule 9.558. Summary Proceedings for Actions Authorized by Section 6(d)(3) of the Exchange Act

(a) Notice of Initiation of Summary Proceedings

IEX's Chief Regulatory Officer or such other senior officer as the Chief Regulatory Officer may designate may provide written authorization to IEX staff to issue on a case-by-case basis a written notice that summarily:

(1) suspends a Member, person associated with a Member or person subject to IEX 's jurisdiction who has been and is expelled or suspended from any self-regulatory organization or barred or suspended from being associated with a Member of any self-regulatory organization;

(2) suspends a Member who is in such financial or operating difficulty that IEX staff determines and so notifies the SEC that the Member cannot be permitted to continue to do business as a Member with safety to investors, creditors, other Members, or IEX; or

(3) limits or prohibits any person with respect to access to services offered by IEX if paragraphs (a)(1) or (2) of this IEX Rule or the provisions of Section 6(d)(3) of the Exchange Act applies to such person or, in the case of a person who is not a Member, if IEX's Chief Regulatory Officer or such other senior officer as the Chief Regulatory Officer may designate determines that such person does not meet the qualification requirements or other prerequisites for such access and such person cannot be permitted to continue to have such access with safety to investors, creditors, Members, or IEX, and so notifies the SEC.

(b) Service of Notice

The Member or person subject to a notice issued under this IEX Rule shall be served by facsimile, overnight courier or personal delivery. Papers served on a Member or person by overnight courier or personal delivery shall conform to paragraphs (a)(1) and (3) and (b)(1) and (2) of IEX Rule 9.134. Papers served on a Member by facsimile shall be sent to the facsimile number listed in the Member's contact questionnaire submitted to IEX pursuant to Article 4, Section III of the IEX Operating Agreement, except that, if IEX staff has actual knowledge that an entity's contact questionnaire facsimile number is out of date, duplicate copies shall be sent to the entity by overnight courier or personal delivery in conformity with paragraphs (a)(1) and (3) and (b)(2) of IEX Rule 9.134. Papers served on a person by facsimile shall be sent to the person's last known facsimile number and shall also be served by either overnight courier or personal delivery in conformity with paragraphs (a)(1) and (3) and (b)(1) of IEX Rule 9.134. A copy of a notice under this IEX Rule that is served on a person associated with a Member also shall be served on such Member. Service is complete upon sending the notice by facsimile, mailing the notice by overnight courier or delivering it in person, except that, where duplicate service is required, service is complete upon sending the duplicate service.

(c) Contents of Notice

A notice issued under this IEX Rule shall state the specific grounds and include the factual basis for the IEX action. The notice shall state when the IEX action will take effect and explain what the respondent must do to avoid such action. The notice shall state that the respondent may file a written request for a hearing with the Office of Hearing Officers pursuant to IEX Rule 9.559. The notice also shall inform the respondent of the applicable deadline for filing a request for a hearing and shall state that a request for a hearing must set forth with specificity any and all defenses to the IEX action. In addition, the notice shall explain that, pursuant to IEX Rules 8.310(a) and 9.559 (n), a Hearing Officer or, if applicable, Hearing Panel, may approve, modify or withdraw any and all sanctions or limitations imposed by the notice, and may impose any other fitting sanction.

(d) Effective Date of Limitation, Prohibition or Suspension

The limitation, prohibition or suspension referenced in a notice issued and served under this IEX Rule is immediately effective. The limitation, prohibition or suspension specified in the notice shall remain in effect unless, after a timely written request for a hearing and written request for a stay, the Chief Hearing Officer or Hearing Officer assigned to the matter finds good cause exists to stay the limitation, prohibition or suspension.

(e) Request for a Hearing and Stay

A Member or person subject to a notice issued under this IEX Rule may file with the Office of Hearing Officers a written request for a hearing pursuant to IEX Rule 9.559. A request for a hearing shall be made within seven days after service

of the notice issued under this IEX Rule. A request for a hearing must set forth with specificity any and all defenses to the IEX action.

A Member or person subject to a notice issued under this IEX Rule may, concurrent with or after filing a request for a hearing, file with the Office of Hearing Officers a written request for a stay of the limitation, prohibition or suspension specified in the notice. A request for a stay must set forth with specificity any and all relevant facts and arguments supporting the request for a stay.

(f) Failure to Request Hearing

If a Member or person subject to a notice issued under this IEX Rule does not timely request a hearing within the time period specified in paragraph (e) of this IEX Rule, the notice shall constitute final IEX action.

(g) Request for Termination of the Limitation, Prohibition or Suspension

A Member or person subject to a limitation, prohibition or suspension under this IEX Rule may file a written request for termination of the limitation, prohibition or suspension on the ground of full compliance with the notice or decision. Such request shall be filed with the IEX Chief Regulatory Officer who may grant relief for good cause shown.

Rule 9.559. Hearing Procedures for Expedited Proceedings Under the Rule 9.550 Series

(a) Applicability

The hearing procedures under this IEX Rule shall apply to a Member, person associated with a Member, person subject to IEX's jurisdiction or other person who is served with a notice issued under IEX Rule 9.550 and who timely requests a hearing. For purposes of this IEX Rule, such Members or persons shall be referred to as respondents.

(b) Computation of Time

IEX Rule 9.138 shall govern the computation of time in proceedings brought under IEX Rule 9.550, except that intermediate Saturdays, Sundays and Federal holidays shall be included in the computation in proceedings brought under IEX Rules 9.556 through 9.558, unless otherwise specified.

(c) Stays

(1) Unless the Chief Hearing Officer or the Hearing Officer assigned to the matter orders otherwise for good cause shown, a timely request for a hearing shall stay the effectiveness of a notice issued under IEX Rules 9.551 through 9.556, except that the effectiveness of a notice of a limitation or prohibition on access to services offered by IEX or a Member thereof under IEX Rule 9.555 with respect to services to which the Member or person does not have access shall not be stayed by a request for a hearing.

(2) A timely request for a hearing shall stay the effectiveness of a notice issued under IEX Rule 9.557 for ten business days after service of the notice or until the Office of Hearing Officers issues a written order under IEX Rule 9.559(o)(4)(A) (whichever period is less), unless IEX's Chief Executive Officer (or such other senior officer as the Chief Executive Officer may designate) determines that a notice under IEX Rule 9.557 shall not be stayed. Where a notice under IEX Rule 9.557 is stayed by a request for a hearing, such stay shall remain in effect only for ten business days after service of the notice or until the Office of Hearing Officers issues a written order under IEX Rule 9.559(o)(4)(A) (whichever period is less) and shall not be extended.

(3) A timely request for a hearing shall not stay the effectiveness of a notice issued under IEX Rule 9.558, unless the Chief Hearing Officer or the Hearing Officer assigned to the matter orders otherwise for good cause shown.

(d) Appointment and Authority of Hearing Officer and/or Hearing Panel

(1) For proceedings initiated under IEX Rules 9.553 and 9.554, the Chief Hearing Officer shall appoint a Hearing Officer to preside over and act as the sole adjudicator for the matter.

(2) For proceedings initiated under IEX Rules 9.551, 9.552, 9.555, 9.556, 9.557, and 9.558, the Chief Hearing Officer shall appoint a Hearing Panel composed of a Hearing Officer and two Panelists. The Hearing Officer shall serve as the chair of the Hearing Panel. For proceedings initiated under IEX Rules 9.551, 9.552, 9.555, 9.556, and 9.558, the Chief Hearing Officer shall select as Panelists persons who meet the qualifications delineated in IEX Rules 9.231 and 9.232. For proceedings initiated under IEX Rule 9.557, the Chief Hearing Officer shall select as Panelists current or former members of the IEX Financial Responsibility Committee.

(3) IEX Rules 9.231(e), 9.233, and 9.234 shall govern disqualification, recusal or withdrawal of a Hearing Officer or, if applicable, Hearing Panelist.

(4) A Hearing Officer appointed pursuant to this provision shall have authority to do all things necessary and appropriate to discharge his or her duties as set forth under IEX Rules 9.235 and 9.280.

(5) Hearings under Exchange the Rule 9.550 Series shall be held by telephone conference, unless the Hearing Officer orders otherwise for good cause shown.

(6) For good cause shown, or with the consent of all of the parties to a proceeding, the Hearing Officer or, if applicable, the Hearing Panel may extend or shorten any time limits prescribed by this IEX Rule other than those relating to IEX Rule 9.557.

(e) Consolidation or Severance of Proceedings

IEX Rule 9.214 shall govern the consolidation or severance of proceedings, except that, where one of the notices that are the subject of consolidation under this IEX Rule requires that a hearing be held before a Hearing Panel, the hearing of the consolidated matters shall be held before a Hearing Panel. Where two consolidated matters contain different timelines under this IEX Rule, the Chief Hearing Officer or Hearing Officer assigned to the matter has discretion to determine which timeline is appropriate under the facts and circumstances of the case. Where one of the consolidated matters includes an action brought under a Rule that does not permit a stay of the effectiveness of the notice or where IEX's Chief Executive Officer (or such other senior officer as the Chief Executive Officer may designate), in the case of IEX Rule 9.557, or Hearing Officer, in the case of IEX Rule 9.558(d), determines that a request for a hearing shall not stay the effectiveness of the notice, the limitation, prohibition, condition, requirement, restriction, or suspension specified in the notice shall not be stayed pending resolution of the case. Where one of the consolidated matters includes an action brought under IEX Rule 9.557 that is stayed for up to ten business days, the requirement and/or restriction specified in the notice shall not be further stayed.

(f) Time of Hearing

(1) A hearing shall be held within five business days after a respondent subject to a notice issued under IEX Rule 9.557 files a written request for a hearing with the Office of Hearing Officers.

(2) A hearing shall be held within 14 days after a respondent subject to a notice issued under IEX Rules 9.556 and 9.558 files a written request for a hearing with the Office of Hearing Officers.

(3) A hearing shall be held within 30 days after a respondent subject to a notice issued under IEX Rules 9.551 through 9.555 files a written request for a hearing with the Office of Hearing Officers.

(4) The timelines established by paragraphs (f)(1) through (f)(3) confer no substantive rights on the parties.

(g) Notice of Hearing

The Hearing Officer shall issue a notice stating the date, time, and place of the hearing as follows:

(1) At least two business days prior to the hearing in the case of an action brought pursuant to IEX Rule 9.557;

(2) At least seven days prior to the hearing in the case of an action brought pursuant to IEX Rules 9.556 and 9.558; and

(3) At least 21 days prior to the hearing in the case of an action brought pursuant to IEX Rules Exchange 9.551 through 9.555.

(h) Transmission of Documents

(1) Not less than two business days before the hearing in an action brought under IEX Rule 9.557, not less than seven days before the hearing in an action brought under IEX Rules 9.556 and 9.558, and not less than 14 days before the hearing in an action brought under IEX Rules 9.551 through 9.555, IEX staff shall provide to the respondent who requested the hearing, by facsimile, electronic mail, overnight courier, or personal delivery, all documents that were considered in issuing the notice unless a document meets the criteria of IEX Rule 9.251(b)(1)(A), (B), (C), or (b)(2). A document that meets such criteria shall not constitute part of the record, but shall be retained by IEX until the date upon which IEX serves a final decision or, if applicable, upon the conclusion of any review by the SEC or the federal courts.

(2) Not less than two business days before the hearing in an action brought under IEX Rule 9.557, not less than three days before the hearing in an action brought under IEX Rules 9.556 and 9.558, and not less than seven days before the hearing in an action brought under IEX Rules 9.551 through 9.555, the parties shall exchange proposed exhibit and witness lists. The exhibit and witness lists shall be served by electronic mail, unless an alternative method of service is ordered by the Adjudicator.

(i) Evidence

Formal rules of evidence shall not apply to a hearing under this IEX Rule Series. IEX Rules 9.262 and 9.263 shall govern testimony and the admissibility of evidence.

(j) Additional Information

The Hearing Officer or, if applicable, the Hearing Panel may direct the Parties to submit additional information.

(k) Record of Hearing

IEX Rule 9.265 shall govern the requirements for the record of the hearing.

(l) Record of Proceeding

IEX Rule 9.267 shall govern the record of the proceeding.

(m) Failure to Appear at a Pre-Hearing Conference or Hearing or to Comply with a Hearing Officer Order Requiring the Production of Information

Failure of any respondent to appear before the Hearing Officer or, if applicable, the Hearing Panel at any status conference, pre-hearing conference or hearing, or to comply with any order of the Hearing Officer or, if applicable, Hearing Panel requiring production of information to support any defense to the notice that respondent has raised, shall be considered an abandonment of the respondent's defense and waiver of any opportunity for a hearing provided by the IEX Rule 9.550 Series. In such cases, the notice issued under Exchange the Rule 9.550 Series shall be deemed to be final IEX action. The Hearing Officer or, if applicable, the Hearing Panel may permit the hearing to go forward as to those parties who appear and otherwise comply with this IEX Rule.

(n) Sanctions, Costs and Remands

(1) In any action brought under the IEX Rule 9.550 Series, other than an action brought under IEX Rule 9.557, the Hearing Officer or, if applicable, the Hearing Panel may approve, modify or withdraw any and all sanctions, requirements, restrictions or limitations imposed by the notice and, pursuant to IEX Rule 8.310(a), may also impose any other fitting sanction.

(2) In an action brought under IEX Rule 9.557, the Hearing Panel shall approve or withdraw the requirements and/or restrictions imposed by the notice. If the Hearing Panel approves the requirements and/or restrictions and finds that the respondent has not complied with all of them, the Hearing Panel shall impose an immediate suspension on the respondent that shall remain in effect unless IEX staff issues a letter of withdrawal of all requirements and/or restrictions pursuant to IEX Rule 9.557(g)(2).

(3) The Hearing Officer or, if applicable, the Hearing Panel may impose costs pursuant to IEX Rule 8.360 regarding all actions brought under the IEX Rule 9.550 Series.

(4) In any action brought under the IEX Rule 9.550 Series, other than an action brought under IEX Rule 9.557, the Hearing Officer or, if applicable, the Hearing Panel may remand the matter to the department or office that issued the notice for further consideration of specified matters.

(o) Timing of Decision

(1) Proceedings initiated under IEX Rules 9.552 and 9.554

Within 60 days of the date of the close of the hearing, the Hearing Officer shall prepare a proposed written decision and provide it to the IEX Appeals Committee.

(2) Proceedings initiated under IEX Rules 9.556 and 9.558

Within 21 days of the date of the close of the hearing, the Hearing Officer shall prepare a proposed written decision that reflects the views of the Hearing Panel, as determined by majority vote, and provide it to the IEX Appeals Committee.

(3) Proceedings initiated under IEX Rules 9.551, 9.552, and 9.555

Within 60 days of the date of the close of the hearing, the Hearing Officer shall prepare a proposed written decision that reflects the views of the Hearing Panel, as determined by majority vote, and provide it to the IEX Appeals Committee.

(4) Proceedings initiated under IEX Rule 9.557

(A) Written Order

Within two business days of the date of the close of the hearing, the Office of Hearing Officers shall issue a written order that reflects the Hearing Panel's summary determinations, as decided by majority vote, and shall serve the Hearing Panel's written order on the Parties. The Hearing Panel's written order under IEX Rule 9.557 is effective when issued. The Hearing Panel's written order will be followed by a written decision explaining the reasons for the Hearing Panel's summary determinations, as required by paragraphs (o)(4)(B) and (p) of this IEX Rule.

(B) Written Decision

Within seven days of the issuance of the Hearing Panel's written order, the Office of Hearing Officers shall issue a written decision that complies with the requirements of paragraph (p) of this IEX Rule and shall serve the Hearing Panel's written decision on the Parties.

(5) If not timely called for review by the IEX Appeals Committee pursuant to paragraph (q) of this IEX Rule, the Hearing Officer's or, if applicable, the Hearing Panel's written decision shall constitute final IEX action. For decisions issued under IEX Rules 9.551 through 9.556 and 9.558, the Office of Hearing Officers shall promptly serve the decision of the Hearing Officer or, if applicable, the Hearing Panel on the Parties and provide a copy to each IEX Member with which the respondent is associated.

(6) The timelines established by paragraphs (o)(1) through (5) confer no substantive rights on the parties.

(p) Contents of Decision

The decision, which for purposes of IEX Rule 9.557 means the written decision issued under paragraph (o)(4)(B) of this IEX Rule, shall include:

(1) a statement describing the investigative or other origin of the notice issued under the IEX Rule Series 9.550;

(2) the specific statutory or rule provision alleged to have been violated or providing the authority for the IEX action;

(3) a statement setting forth the findings of fact with respect to any act or practice the respondent was alleged to have committed or omitted or any condition specified in the notice;

(4) the conclusions of the Hearing Officer or, if applicable, Hearing Panel regarding the alleged violation or condition specified in the notice;

(5) a statement of the Hearing Officer or, if applicable, Hearing Panel in support of the disposition of the principal issues raised in the proceeding; and

(6) a statement describing any sanction, requirement, restriction or limitation imposed, the reasons therefore, and the date upon which such sanction, requirement, restriction or limitation shall become effective.

(q) Call for Review by the IEX Appeals Committee

(1) For proceedings initiated under the IEX Rule Series 9.550 (other than IEX Rule 9.557), the IEX Appeals Committee may call for review a proposed decision prepared by a Hearing Officer or, if applicable, Hearing Panel within 21 days after receipt of the decision from the Office of Hearing Officers. For proceedings initiated under IEX Rule 9.557, the IEX Appeals Committee may call for review a written decision issued under paragraph (o)(4)(B) of this IEX Rule by a Hearing Panel within 14 days after receipt of the written decision from the Office of Hearing Officers. IEX Rule 9.313(a) is incorporated herein by reference.

(2) If the IEX Appeals Committee calls the proceeding for review within the prescribed time, it shall meet and conduct a review not later than 40 days after the call for review. The IEX Appeals Committee may elect to hold a hearing or decide the matter on the basis of the record made before the Hearing Officer or, if applicable, the Hearing Panel. Not later than 60 days after the call for review, the IEX Appeals Committee shall make its recommendation to the IEX Board. Not later than 60 days after receipt of the IEX Appeals Committee's recommendation, the IEX Board shall serve a final written decision on the parties via electronic mail, overnight courier or facsimile. The IEX Appeals Committee may affirm, modify or reverse the decision of the Hearing Officer or, if applicable, the Hearing Panel. The IEX Board also may impose any other fitting sanction, pursuant to IEX Rule 8.310(a), and may impose costs, pursuant to IEX Rule 8.360. In addition, the IEX Board may remand the matter to the Office of Hearing Officers for further consideration of specified matters.

(3) For good cause shown, or with the consent of all of the parties to a proceeding, the IEX Appeals Committee or the IEX Board may extend or shorten any time limits prescribed by this IEX Rule other than those relating to IEX Rule 9.557.

(4) The IEX Board's written decision shall constitute final IEX action.

(5) The IEX Board shall promptly serve the decision on the Parties and provide a copy of the decision to each IEX Member with which the respondent is associated. The IEX Board may serve and provide a copy of its decision by electronic mail.

(6) The timelines established by paragraphs (q)(1) through (5) confer no substantive rights on the parties.

(r) Application to SEC for Review

The right to have any action pursuant to this IEX Rule reviewed by the SEC is governed by Section 19 of the Exchange Act. The filing of an application for review by the SEC shall not stay the effectiveness of final IEX action, unless the SEC otherwise orders.

(s) Service by Electronic Mail; When Service is Complete

For purposes of IEX Rule 9.559(h) and (q), service by electronic mail shall be deemed complete upon sending the documents or decision.

(Amended by SR-IEX-2023-04 eff. Apr. 3, 2023).

Rule Series 9.600. PROCEDURES FOR EXEMPTIONS

Rule 9.610. Application

(a) Where to File. A Member seeking exemptive relief as specifically permitted under any IEX Rule referencing the IEX Rule Series 9.600 shall file a written application with the appropriate FINRA department or staff and provide a copy of the application to IEX Regulation.

(b) Content. An application filed pursuant to this IEX Rule 9.610 shall contain the Member's name and address, the name of a person associated with the Member who will serve as the primary contact for the application, the Rule from which the Member is seeking an exemption, and a detailed statement of the grounds for granting the exemption. If the Member does not want the application or the decision on the application to be publicly available in whole or in part, the Member also shall include in its application a detailed statement, including supporting facts, showing good cause for treating the application or decision as confidential in whole or in part.

(c) Applicant. A Member that files an application under this IEX Rule is referred to as "Applicant" hereinafter in the IEX Rule Series 9.600.

Rule 9.620. Decision

(a) After considering an application, the Chief Regulatory Officer shall issue a written decision setting forth its findings and conclusions. The decision shall be served on the Applicant pursuant to IEX Rules 9.132 and 9.134. After the decision is served on the Applicant, the application and decision shall be publicly available unless IEX Regulation staff determines that the Applicant has shown good cause for treating the application or decision as confidential in whole or in part.

Rule 9.630. Appeal

(a) Notice. An Applicant may file a written notice of appeal within 15 calendar days after service of a decision issued under IEX Rule 9.620. The notice of appeal shall be filed with the Chief Regulatory Officer. The notice of appeal shall contain a brief statement of the findings and conclusions as to which exception is taken. Appeals of decisions issued by IEX Regulation staff pursuant to IEX Rule 9.620 shall be decided by the IEX Appeals Committee, except with respect to exemptive relief under IEX Rule 2.160(b), which shall be decided by the IEX Appeals Committee. If the Applicant does not want the decision on the appeal to be publicly available in whole or in part, the Applicant also shall include in its notice of appeal a detailed statement, including supporting facts, showing good cause for treating the decision as confidential in whole or in part. The notice of appeal shall be signed by the Applicant.

(b) Expedited Review. Where the failure to promptly review a decision to deny a request for exemption would unduly or unfairly harm the applicant, the IEX Appeals Committee, shall provide expedited review.

(c) Withdrawal of Appeal. An Applicant may withdraw its notice of appeal at any time by filing a written notice of withdrawal of appeal with the IEX Appeals Committee.

(d) Oral Argument.

(1) Subject to paragraph (2) below, following the filing of a notice of appeal, the IEX Appeals Committee may order oral argument. The IEX Appeals Committee may consider any new evidence if the Applicant can show good cause for not including it in its application.

(2) With respect to exemptive relief requested under IEX Rule 2.160(b), the IEX Appeals Committee may order oral argument and consider any new evidence if the Applicant can show good cause for not including it in its application.

(e) Decision.

(1) Subject to paragraph (2) below, after considering all matters on appeal, the IEX Appeals Committee shall affirm, modify, or reverse the decision issued under IEX Rule 9.620. The IEX Appeals Committee shall issue a written decision setting forth its findings and conclusions and serve the decision on the Applicant. The decision shall be served pursuant to IEX Rules 9.132 and 9.134 or by electronic mail. The decision shall be effective upon service and shall constitute final action of Exchange.

(2) With respect to exemptive relief requested under IEX Rule 2.160(b), after considering all matters on appeal, the IEX Appeals Committee shall affirm, modify, or reverse the decision issued under IEX Rule 9.620 and shall issue a written decision setting forth its findings and conclusions and serve the decision on the Applicant. The decision shall be served pursuant to IEX Rules 9.132 and 9.134 or by electronic mail. The decision shall be effective upon service and shall constitute final action of the Exchange.

(f) Service by Electronic Mail; When Service is Complete.

For purposes of IEX Rule 9.630(e), service by electronic mail shall be deemed complete upon sending the decision.

(Amended by SR-IEX-2023-04 eff. Apr. 3, 2023).

Rule Series 9.700. RESERVED.

Rule Series 9.800. TEMPORARY CEASE AND DESIST ORDERS

Rule 9.810. Initiation of Proceeding

(a) Department of Enforcement or Department of Market Regulation

With the prior written authorization of IEX's Chief Regulatory Officer or such other senior officers as the Chief Regulatory Officer may designate, the Department of Enforcement or the Department of Market Regulation may initiate a temporary cease and desist proceeding with respect to alleged violations of Section 10(b) of the Exchange Act and Rule 10b-5 thereunder; Exchange Act Rules 15g-1 through 15g-9; IEX Rule 3.110 (if the alleged violation is unauthorized trading, or misuse or conversion of customer assets, or based on violations of Section 17(a) of the Securities Act); or IEX Rule 3.130. The Department of Enforcement or the Department of Market Regulation shall initiate the proceeding by serving a notice on a Member or associated person (hereinafter "Respondent") and filing a copy thereof with the Office of Hearing Officers. The Department of Enforcement or the Department of Market Regulation shall serve the notice by personal service, overnight commercial courier, or facsimile. If service is made by

facsimile, the Department of Enforcement or the Department of Market Regulation shall send an additional copy of the notice by overnight commercial courier. The notice shall be effective upon service.

(b) Contents of Notice

The notice shall set forth the rule or statutory provision that the Respondent is alleged to have violated and that the Department of Enforcement or the Department of Market Regulation is seeking to have the Respondent ordered to cease violating. The notice also shall state whether the Department of Enforcement or the Department of Market Regulation is requesting the Respondent to be required to take action or to refrain from taking action. The notice shall be accompanied by:

(1) a declaration of facts, signed by a person with knowledge of the facts contained therein, that specifies the acts or omissions that constitute the alleged violation; and

(2) a proposed order that contains the required elements of a temporary cease and desist order (except the date and hour of the order's issuance), which are set forth in IEX Rule 9.840(b).

(c) Filing of Underlying Complaint

If the Department of Enforcement or the Department of Market Regulation has not issued a complaint under IEX Rule 9.211 against the Respondent relating to the subject matter of the temporary cease and desist proceeding and alleging violations of the rule or statutory provision specified in the notice described in paragraph (b), the Department of Enforcement or the Department of Market Regulation shall serve and file such a complaint with the notice initiating the temporary cease and desist proceeding.

Rule 9.820. Appointment of Hearing Officer and Hearing Panel

(a) As soon as practicable after the Department of Enforcement or the Department of Market Regulation files a copy of the notice initiating a temporary cease and desist proceeding with the Office of Hearing Officers, the Chief Hearing Officer shall assign a Hearing Officer to preside over the temporary cease and desist proceeding. The Chief Hearing Officer shall appoint two Panelists to serve on a Hearing Panel with the Hearing Officer.

(b) If at any time a Hearing Officer or Hearing Panelist determines that he or she has a conflict of interest or bias or circumstances otherwise exist where his or her fairness might reasonably be questioned, or if a Party files a motion to disqualify a Hearing Officer or Hearing Panelist, the recusal and disqualification proceeding shall be conducted in accordance with IEX Rules 9.233 and 9.234, except that:

(1) a motion seeking disqualification of a Hearing Officer or Hearing Panelist must be filed no later than 5 days after the later of the events described in paragraph (b) of IEX Rules 9.233 and 9.234; and

(2) the Chief Hearing Officer shall appoint a replacement Panelist as specified in paragraph (a) of this IEX Rule.

Rule 9.830. Hearing

(a) When Held

The hearing shall be held not later than 15 days after service of the notice and filing initiating the temporary cease and desist proceeding, unless otherwise extended by the Hearing Officer with the consent of the Parties for good cause

shown. If a Hearing Officer or Hearing Panelist is recused or disqualified, the hearing shall be held not later than five days after a replacement Hearing Officer or Hearing Panelist is appointed.

(b) Service of Notice of Hearing

The Office of Hearing Officers shall serve a notice of date, time, and place of the hearing on the Department of Enforcement or the Department of Market Regulation and the Respondent not later than seven days before the hearing, unless otherwise ordered by the Hearing Officer. Service shall be made by personal service, overnight commercial courier, or facsimile. If service is made by facsimile, the Office of Hearing Officers shall send an additional copy of the notice by overnight commercial courier. The notice shall be effective upon service.

(c) Authority of Hearing Officer

The Hearing Officer shall have authority to do all things necessary and appropriate to discharge his or her duties as set forth under IEX Rule 9.235.

(d) Witnesses

A person who is subject to the jurisdiction of IEX shall testify under oath or affirmation. The oath or affirmation shall be administered by a court reporter or a notary public.

(e) Additional Information

At any time during its consideration, the Hearing Panel may direct a Party to submit additional information. Any additional information submitted shall be provided to all Parties at least one day before the Hearing Panel renders its decision.

(f) Transcript

The hearing shall be recorded by a court reporter and a written transcript thereof shall be prepared. A transcript of the hearing shall be available to the Parties for purchase from the court reporter at prescribed rates. A witness may purchase a copy of the transcript of his or her own testimony from the court reporter at prescribed rates. Proposed corrections to the transcript may be submitted by affidavit to the Hearing Panel within a reasonable time determined by the Hearing Panel. Upon notice to all the Parties to the proceeding, the Hearing Panel may order corrections to the transcript as requested or sua sponte.

(g) Record and Evidence Not Admitted

The record shall consist of the notice initiating the proceeding, the declaration, and the proposed order described in IEX Rule 9.810(b); the transcript of the hearing; all evidence considered by the Hearing Panel; and any other document or item accepted into the record by the Hearing Officer or the Hearing Panel. The Office of Hearing Officers shall be the custodian of the record. Proffered evidence that is not accepted into the record by the Hearing Panel shall be retained by the custodian of the record until the date when IEX's decision becomes final or, if applicable, upon the conclusion of any review by the SEC or the federal courts.

(h) Failure to Appear at Hearing

If a Respondent fails to appear at a hearing for which it has notice, the allegations in the notice and accompanying declaration may be deemed admitted, and the Hearing Panel may issue a temporary cease and desist order without

further proceedings. If the Department of Enforcement or Department of Market Regulation fails to appear at a hearing for which it has notice, the Hearing Panel may order that the temporary cease and desist proceeding be dismissed.

Rule 9.840. Issuance of Temporary Cease and Desist Order by Hearing Panel

(a) Basis for Issuance

The Hearing Panel shall issue a written decision stating whether a temporary cease and desist order shall be imposed. The Hearing Panel shall issue the decision not later than ten days after receipt of the hearing transcript, unless otherwise extended by the Hearing Officer with the consent of the Parties for good cause shown. A temporary cease and desist order shall be imposed if the Hearing Panel finds:

(1) by a preponderance of the evidence that the alleged violation specified in the notice has occurred; and

(2) that the violative conduct or continuation thereof is likely to result in significant dissipation or conversion of assets or other significant harm to investors prior to the completion of the underlying disciplinary proceeding under IEX Rule Series 9.200 and 9.300.

(b) Content, Scope, and Form of Order

A temporary cease and desist order shall:

(1) be limited to ordering a Respondent to cease and desist from violating a specific rule or statutory provision, and, where applicable, to ordering a Respondent to cease and desist from dissipating or converting assets or causing other harm to investors;

(2) set forth the alleged violation and the significant dissipation or conversion of assets or other significant harm to investors that is likely to result without the issuance of an order;

(3) describe in reasonable detail the act or acts the Respondent is to take or refrain from taking; and

(4) include the date and hour of its issuance.

(c) Duration of Order

A temporary cease and desist order shall remain effective and enforceable until the issuance of a decision under IEX Rule 9.268 or 9.269.

(d) Service

The Office of Hearing Officers shall serve the Hearing Panel's decision and any temporary cease and desist order by personal service, overnight commercial courier, or facsimile. If service is made by facsimile, the Office of Hearing Officers shall send an additional copy of the Hearing Panel's decision and any temporary cease and desist order by overnight commercial courier. The temporary cease and desist order shall be effective upon service.

Rule 9.850. Review by Hearing Panel

At any time after the Office of Hearing Officers serves the Respondent with a temporary cease and desist order, a Party may apply to the Hearing Panel to have the order modified, set aside, limited, or suspended. The application shall set forth

with specificity the facts that support the request. The Hearing Panel shall respond to the request in writing within ten days after receipt of the request, unless otherwise extended by the Hearing Officer with the consent of the Parties for good cause shown. The Hearing Panel's response shall be served on the Respondent via personal service, overnight commercial courier, or facsimile. If service is made by facsimile, the Office of Hearing Officers shall send an additional copy of the temporary cease and desist order by overnight commercial courier. The filing of an application under this IEX Rule shall not stay the effectiveness of the temporary cease and desist order.

Rule 9.860. Violation of Temporary Cease and Desist Orders

A Respondent who violates a temporary cease and desist order imposed under this IEX Rule Series may have its association or membership suspended or canceled under IEX Rule 9.556. IEX's Chief Regulatory Officer must authorize the initiation of any such proceeding in writing.

Rule 9.870. Application to SEC for Review

Temporary cease and desist orders issued pursuant to this IEX Rule Series constitute final and immediately effective disciplinary sanctions imposed by IEX. The right to have any action under this IEX Rule Series reviewed by the SEC is governed by Section 19 of the Exchange Act. The filing of an application for review shall not stay the effectiveness of the temporary cease and desist order, unless the SEC otherwise orders.

CHAPTER 10. TRADING PRACTICE RULES

Rule Series 10.100. PROHIBITED TRADING PRACTICES

Rule 10.110. Market Manipulation

(a) No Member shall execute or cause to be executed or participate in an account for which there are executed purchases of any security at successively higher prices, or sales of any security at successively lower prices, or otherwise engage in activity, for the purpose of creating or inducing a false, misleading or artificial appearance of activity in such security on the Exchange or for the purpose of unduly or improperly influencing the market price for such security or for the purpose of establishing a price which does not reflect the true state of the market in such security.

(b) All orders must be entered for the purpose of executing bona fide transactions, including, without limitation:

(1) No Member shall enter or cause to be entered, an order with the intent, at the time of order entry, to cancel the order before execution, or to modify the order to avoid execution.

(2) No Member shall enter or cause to be entered an executable or non-executable order or orders with the intent to mislead other market participants.

(3) No Member shall enter or cause to be entered an executable or non-executable order with the intent to overload, delay, or disrupt the performance of the systems of the Exchange, its Members, other exchanges, National Market System Plans, or market participants.

(4) No Member shall enter or cause to be entered executable or non-executable orders with intent to disrupt the orderly conduct of trading or the fair execution of transactions on the Exchange or elsewhere in the National Market System.

(5) These provisions shall apply at all times the Exchange System is available to Members without exception.

Additionally, all non-executable orders must be entered in good faith for legitimate purposes.

Rule 10.120. Fictitious Transactions

(a) No Member, for the purpose of creating or inducing a false or misleading appearance of activity in a security traded on the Exchange or creating or inducing a false or misleading appearance with respect to the market in such security shall:

(1) execute any transaction in such security which involves no change in the beneficial ownership thereof, or

(2) enter any order or orders for the purchase of such security with the knowledge that an order or orders of substantially the same size, and at substantially the same price, for the sale of such security, has been or will be entered by or for the same or different parties, or

(3) enter any order or orders for the sale of any such security with the knowledge that an order or orders of substantially the same size, and at substantially the same price, for the purchase of such security, has been or will be entered by or for the same or different parties.

(b) Transactions in a security resulting from the unintentional interaction of orders originating from the same firm that involve no change in the beneficial ownership of the security, ("self-trades") generally are bona fide transactions for purposes of this IEX Rule 10.120; however, Members must have policies and procedures in place that are reasonably designed to review their trading activity for, and prevent, a pattern or practice of self-trades resulting from orders originating from a single algorithm or trading desk, or related algorithms or trading desks. Transactions resulting from orders that originate from unrelated algorithms or separate and distinct trading strategies within the same firm would generally be considered bona fide self-trades. Algorithms or trading strategies within the most discrete unit of an effective system of internal controls at a member firm are presumed to be related. This subsection (b) does not change Members' existing obligations under IEX Rule 3.110 and IEX Rule 5.110.

Rule 10.130. Excessive Sales by a Member

(a) No Member shall execute purchases or sales in any security traded on the Exchange for any account in which such Member is directly or indirectly interested, which purchases or sales are excessive in view of the Member's financial resources or in view of the market for such security.

Rule 10.140. Manipulative Transactions

(a) No Member shall participate or have any interest, directly or indirectly, in the profits of a manipulative operation or knowingly manage or finance a manipulative operation.

(b) Any pool, syndicate or joint account organized or used intentionally for the purpose of unfairly influencing the market price of a security shall be deemed to be a manipulative operation.

(c) The solicitation of subscriptions to or the acceptance of discretionary orders from any such pool, syndicate or joint account shall be deemed to be managing a manipulative operation.

(d) The carrying on margin of a position in such security or the advancing of credit through loans to any such pool, syndicate or joint account shall be deemed to be financing a manipulative operation.

(e) No member shall offer that a transaction or transactions to buy or sell a designated security will influence the closing transaction in that security.

Rule 10.150. Dissemination of False Information

(a) No Member shall make any statement or circulate and disseminate any information concerning any security traded on the Exchange which such Member knows or has reasonable grounds for believing is false or misleading or would improperly influence the market price of such security.

Rule 10.160. Prohibition Against Trading Ahead of Customer Orders

(a) Except as provided herein, a Member that accepts and holds an order in an equity security from its own customer or a customer of another broker-dealer without immediately executing the order is prohibited from trading that security on the same side of the market for its own account at a price that would satisfy the customer order, unless it immediately thereafter executes the customer order up to the size and at the same or better price at which it traded for its own account.

(b) A Member must have a written methodology in place governing the execution and priority of all pending orders that is consistent with the requirements of this IEX Rule. A Member also must ensure that this methodology is consistently applied.

(c) Large Orders and Institutional Account Exceptions

With respect to orders for customer accounts that meet the definition of an "institutional account" or for orders of 10,000 shares or more (unless such orders are less than $100,000 in value), a Member is permitted to trade a security on the same side of the market for its own account at a price that would satisfy such customer order, provided that the Member has provided clear and comprehensive written disclosure to such customer at account opening and annually thereafter that:

(1) discloses that the Member may trade proprietarily at prices that would satisfy the customer order, and

(2) provides the customer with a meaningful opportunity to opt in to the IEX Rule 10.160 protections with respect to all or any portion of its order.

If the customer does not opt in to the IEX Rule 10.160 protections with respect to all or any portion of its order, the Member may reasonably conclude that such customer has consented to the Member trading a security on the same side of the market for its own account at a price that would satisfy the customer's order.

In lieu of providing written disclosure to customers at account opening and annually thereafter, a Member may provide clear and comprehensive oral disclosure to and obtain consent from the customer on an order-by-order basis, provided that the Member documents who provided such consent and such consent evidences the customer's understanding of the terms and conditions of the order.

For purposes of this IEX Rule, "institutional account" shall mean the account of:

(A) a bank savings and loan association, insurance company or registered investment company;

(B) an investment adviser registered either with the SEC under Section 203 of the Investment Advisers Act or with a state securities commission (or any agency or office performing like functions); or

(C) any other person (whether a natural person, corporation, partnership, trust or otherwise) with total assets of at least $50 million.

(d) No-Knowledge Exception

(1) With respect to NMS stocks (as defined in Rule 600 under of the Securities and Exchange Commission's Regulation NMS), if a Member implements and utilizes an effective system of internal controls, such as appropriate information barriers, that operate to prevent one trading unit from obtaining knowledge of customer orders held by a separate trading unit, those other trading units trading in a proprietary capacity may continue to trade at prices that would satisfy the customer orders held by the separate trading unit. A Member that structures its order handling practices in NMS stocks to permit its proprietary and/or market-making desk to trade at prices that would satisfy customer orders held by a separate trading unit must disclose in writing to its customers, at account opening and annually thereafter, a description of the manner in which customer orders are handled by the Member and the circumstances under which the Member may trade proprietarily at its proprietary and/or market-making desk at prices that would satisfy the customer order.

(2) If a Member implements and utilizes appropriate information barriers in reliance on this exception, the Member must uniquely identify such information barriers in place at the department within the Member where the order was received or originated. Appropriate information barriers must, at minimum, comply with the requirements set forth in IEX Rule 5.150.

(3) Members must maintain records that indicate which orders rely on the No-Knowledge Exception and submit these records to the Exchange upon request.

(e) Riskless Principal Exception

The obligations under this IEX Rule shall not apply to a Member's proprietary trade if such proprietary trade is for the purposes of facilitating the execution, on a riskless principal basis, of an order from a customer (whether its own customer or the customer of another broker-dealer) (the "facilitated order"), provided that the Member:

(1) submits a report, contemporaneously with the execution of the facilitated order, identifying the trade as riskless principal to the Exchange (or another self-regulatory organization if not required under IEX Rules); and

(2) has written policies and procedures to ensure that riskless principal transactions for which the Member is relying upon this exception comply with applicable IEX Rules. At a minimum these policies and procedures must require that the customer order was received prior to the offsetting principal transaction, and that the offsetting principal transaction is at the same price as the customer order exclusive of any markup or markdown, commission equivalent or other fee and is allocated to a riskless principal or customer account in a consistent manner and within 60 seconds of execution.

A Member must have supervisory systems in place that produce records that enable the Member and the Exchange to reconstruct accurately, readily, and in a time-sequenced manner all facilitated orders for which the Member relies on this exception.

(f) ISO Exception

A Member shall be exempt from the obligation to execute a customer order in a manner consistent with this IEX Rule with regard to trading for its own account that is the result of an inter-market sweep order ("ISO") routed in compliance with Rule 600(b)(38)(ii) of Regulation NMS where the customer order is received after the Member routed the ISO. Where a Member routes an ISO to facilitate a customer order and that customer has consented to not receiving the better prices obtained by the ISO, the Member also shall be exempt with respect to any trading for its own account that is the result of the ISO with respect to the consenting customer's order.

(g) Odd Lot and Bona Fide Error Transaction Exceptions

The obligations under this IEX Rule shall not apply to a Member's proprietary trade that is (1) to offset a customer order that is in an amount less than a normal unit of trading; or (2) to correct a bona fide error. Members are required to demonstrate and document the basis upon which a transaction meets the bona fide error exception. For purposes of this IEX Rule, a bona fide error is:

(1) the inaccurate conveyance or execution of any term of an order, including, but not limited to, price, number of shares or other unit of trading; identification of the security; identification of the account for which securities are purchased or sold; lost or otherwise misplaced order tickets; short sales that were instead sold long or vice versa; or the execution of an order on the wrong side of a market;

(2) the unauthorized or unintended purchase, sale, or allocation of securities or the failure to follow specific client instructions;

(3) the incorrect entry of data into relevant systems, including reliance on incorrect cash positions, withdrawals, or securities positions reflected in an account; or

(4) a delay, outage, or failure of a communication system used to transmit market data prices or to facilitate the delivery or execution of an order.

(h) Minimum Price Improvement Standards

The minimum amount of price improvement necessary for a Member to execute an order on a proprietary basis when holding an unexecuted limit order in that same security, and not be required to execute the held limit order is as follows:

(1) For customer limit orders priced greater than or equal to $1.00, the minimum amount of price improvement required is $0.01 for NMS stocks;

(2) For customer limit orders priced greater than or equal to $0.01 and less than $1.00, the minimum amount of price improvement required is the lesser of $0.01 or one-half (1/2) of the current inside spread;

(3) For customer limit orders priced less than $0.01 but greater than or equal to $0.001, the minimum amount of price improvement required is the lesser of $0.001 or one-half (1/2) of the current inside spread;

(4) For customer limit orders priced less than $0.001 but greater than or equal to $0.0001, the minimum amount of price improvement required is the lesser of $0.0001 or one- half (1/2) of the current inside spread;

(5) For customer limit orders priced less than $0.0001 but greater than or equal to $0.00001, the minimum amount of price improvement required is the lesser of $0.00001 or one- half (1/2) of the current inside spread;

(6) For customer limit orders priced less than $0.00001, the minimum amount of price improvement required is the lesser of $0.000001 or one-half (1/2) of the current inside spread; and

(7) For customer limit orders priced outside the best inside market, the minimum amount of price improvement required must either meet the requirements set forth above or the Member must trade at a price at or inside the best inside market for the security.

In addition, if the minimum price improvement standards above would trigger the protection of a pending customer limit order, any better-priced customer limit order(s) must also be protected under this IEX Rule, even if those better-priced limit orders would not be directly triggered under the minimum price improvement standards above.

(i) Order Handling Procedures

A Member must make every effort to execute a marketable customer order that it receives fully and promptly. A Member that is holding a customer order that is marketable and has not been immediately executed must make every effort to cross such order with any other order received by the Member on the other side of the market up to the size of such order at a price that is no less than the best bid and no greater than the best offer at the time that the subsequent order is received by the Member and that is consistent with the terms of the orders. In the event that a Member is holding multiple orders on both sides of the market that have not been executed, the Member must make every effort to cross or otherwise execute such orders in a manner that is reasonable and consistent with the objectives of this IEX Rule and with the terms of the orders. A Member can satisfy the crossing requirement by contemporaneously buying from the seller and selling to the buyer at the same price.

(j) Trading Outside Normal Market Hours

Members generally may limit the life of a customer order to the period of normal market hours of 9:30 a.m. to 4:00 p.m. Eastern Time. However, if the customer and Member agree to the processing of the customer's order outside normal market hours, the protections of this IEX Rule shall apply to that customer's order at all times the customer order is executable by the Member.

(Amended by SR-IEX-2023-14 eff. December 22, 2023).

Rule 10.170. Joint Activity

(a) No Member, directly or indirectly, shall hold any interest or participation in any joint account for buying or selling in a security traded on the Exchange, unless such joint account is promptly reported to the Exchange. The report should contain the following information for each account:

(1) the name of the account, with names of all participants and their respective interests in profits and losses;

(2) a statement regarding the purpose of the account;

(3) the name of the Member carrying and clearing the account; and

(4) a copy of any written agreement or instrument relating to the account.

Rule 10.180. Influencing the Consolidated Tape

(a) No Member shall attempt to execute a transaction or transactions to buy or sell a security for the purpose of influencing any report appearing on the Consolidated Tape.

Rule 10.190. Trade Shredding

No Member or associated person of a Member may engage in "trade shredding". Trade shredding is conduct that has the intent or effect of splitting any order into multiple smaller orders for execution or any execution into multiple smaller executions for the primary purpose of maximizing a monetary or in-kind amount to be received by the Member or associated person of a Member as a result of the execution of such orders or the transaction reporting of such executions. For purposes of this IEX Rule 10.190, "monetary or in-kind amount" shall be defined to include, but not be limited to, any credits, commissions, gratuities, payments for or rebates of fees, or any other payments of value to the Member or associated person of a Member.

Rule Series 10.200. TRADING OBLIGATIONS

Rule 10.210. Options

(a) No Member shall initiate the purchase or sale on the Exchange for its own account, or for any account in which it is directly or indirectly interested, of any stock of any issuer in which it holds or has granted any put, call, straddle or option; provided, however, that this prohibition shall not be applicable in respect of any option issued by The Options Clearing Corporation.

(b) No Member acting as an odd-lot dealer shall become interested directly or indirectly, in a pool dealing or trading in the stock of any issuer in which it is an odd-lot dealer, nor shall it acquire or grant directly or indirectly, any option to buy or sell, receive or deliver shares of stock of any issuer in which such Member is an odd-lot dealer, unless such option is issued by The Options Clearing Corporation.

Rule 10.220. Best Execution and Interpositioning

(a) Best Execution

(1) In any transaction for or with a customer or a customer of another broker-dealer, a Member and persons associated with a Member shall use reasonable diligence to ascertain the best market for the subject security and buy or sell in such market so that the resultant price to the customer is as favorable as possible under prevailing market conditions. Among the factors that will be considered in determining whether a Member has used "reasonable diligence" are:

(A) the character of the market for the security (e.g., price, volatility, relative liquidity, and pressure on available communications);

(B) the size and type of transaction;

(C) the number of markets checked;

(D) accessibility of the quotation; and

(E) the terms and conditions of the order which result in the transaction, as communicated to the Member and persons associated with the Member.

(2) In any transaction for or with a customer or a customer of another broker-dealer, no Member or person associated with a Member shall interject a third party between the Member and the best market for the subject security in a manner inconsistent with paragraph (a)(1) of this IEX Rule 10.220.

(b) When a Member cannot execute directly with a market but must employ a broker's broker or some other means in order to ensure an execution advantageous to the customer, the burden of showing the acceptable circumstances for doing so is on the Member.

(c) Failure to maintain or adequately staff a department assigned to execute customers' orders cannot be considered justification for executing away from the best available market; nor can channeling orders through a third party as described above as reciprocation for service or business operate to relieve a Member of its obligations under this IEX Rule.

(d) A Member through which an order is channeled and that knowingly is a party to an arrangement whereby the initiating Member has not fulfilled its obligations under this IEX Rule, will also be deemed to have violated this IEX Rule 10.220.

(e) The obligations described in paragraphs (a) through (d) above exist not only where the Member acts as agent for the account of its customer but also where transactions are executed as principal.

(f) Execution of Marketable Customer Orders

A Member must make every effort to execute a marketable customer order that it receives fully and promptly.

(g) Definition of "Market"

For the purposes of IEX Rule 10.220, the term "market" or "markets" is to be construed broadly, and it encompasses a variety of different venues, including, but not limited to, trading centers that are trading a particular security. This expansive interpretation is meant to both inform broker-dealers as to the breadth of the scope of venues that must be considered in the furtherance of their best execution obligations and to promote fair competition among broker-dealers, exchange markets, and markets other than exchange markets, as well as any other venue that may emerge, by not mandating that certain trading venues have less relevance than others in the course of determining a firm's best execution obligations.

(h) Best Execution and Executing Brokers

A Member's duty to provide best execution in any transaction "for or with a customer of another broker-dealer" does not apply in instances when another broker-dealer is simply executing a customer order against the Member's quote. The duty to provide best execution to customer orders received from other broker-dealers arises only when an order is routed from the broker-dealer to the Member for the purpose of order handling and execution. This clarification is intended to draw a distinction between those situations in which the Member is acting solely as the buyer or seller in connection with orders presented by a broker-dealer against the Member's quote, as opposed to those circumstances in which the Member is accepting order flow from another broker-dealer for the purpose of facilitating the handling and execution of such orders.

(i) Use of a Broker's Broker

Paragraph (b) of this IEX Rule 10.220 provides that when a Member cannot execute directly with a market but must employ a broker's broker or some other means in order to ensure an execution advantageous to the customer, the burden of showing the acceptable circumstances for doing so is on the Member. Examples of acceptable circumstances are where a customer's order is "crossed" with another firm that has a corresponding order on the other side, or where the identity of the firm, if known, would likely cause undue price movements adversely affecting the cost or proceeds to the customer.

(j) Orders Involving Securities with Limited Quotations or Pricing Information

Although the best execution requirements in this IEX Rule 10.220 apply to orders in all securities, markets for securities differ dramatically. One of the areas in which a Member must be especially diligent in ensuring that it has met its best execution obligations is with respect to customer orders involving securities for which there is limited pricing information or quotations available. Each Member must have written policies and procedures in place that address how the Member will determine the best inter-dealer market for such a security in the absence of pricing information or multiple quotations and must document its compliance with those policies and procedures. For example, a Member should analyze pricing information based on other data, such as previous trades in the security, to determine whether the resultant price to the customer is as favorable as possible under prevailing market conditions. In these instances, a Member should generally seek out other sources of pricing information or potential liquidity, which may include obtaining quotations from other sources (e.g., other firms that the Member previously has traded within the security).

(k) Customer Instructions Regarding Order Handling

If a Member receives an unsolicited instruction from a customer to route that customer's order to a particular market for execution, the Member is not required to make a best execution determination beyond the customer's specific instruction. Members are, however, still required to process that customer's order promptly and in accordance with the terms of the order and its instructions. Where a customer has directed that an order be routed to another specific broker-dealer that is also a FINRA Member, the receiving broker-dealer to which the order was directed would be required to meet the requirements of FINRA Rule 5310 with respect to its handling of the order.

(l) Regular and Rigorous Review of Execution Quality

No Member can transfer to another person its obligation to provide best execution to its customers' orders. A Member that routes customer orders to other broker-dealers for execution on an automated, non-discretionary basis, as well as a Member that internalizes customer order flow, must have procedures in place to ensure the Member periodically conducts regular and rigorous reviews of the quality of the executions of its customers' orders if it does not conduct an order-by-order review. The review must be conducted on a security-by-security, type-of-order basis (e.g., limit order, market order, and market on open order). At a minimum, a Member must conduct such reviews on a quarterly basis; however, Members should consider, based on the firm's business, whether more frequent reviews are needed.

(m) In conducting its regular and rigorous review, a Member must determine whether any material differences in execution quality exist among the markets trading the security and, if so, modify the Member's routing arrangements or justify why it is not modifying its routing arrangements. To assure that order flow is directed to markets providing the most beneficial terms for their customers' orders, the Member must compare, among other things, the quality of the executions the Member is obtaining via current order routing and execution arrangements (including the internalization of order flow) to the quality of the executions that the Member could obtain from competing markets.

In reviewing and comparing the execution quality of its current order routing and execution arrangements to the execution quality of other markets, a Member should consider the following factors:

(1) price improvement opportunities (i.e., the difference between the execution price and the best quotes prevailing at the time the order is received by the market);

(2) differences in price disimprovement (i.e., situations in which a customer receives a worse price at execution than the best quotes prevailing at the time the order is received by the market);

(3) the likelihood of execution of limit orders;

(4) the speed of execution;

(5) the size of execution;

(6) transaction costs;

(7) customer needs and expectations; and

(8) the existence of internalization or payment for order flow arrangements.

(n) A Member that routes its order flow to another Member that has agreed to handle that order flow as agent for the customer (e.g., a clearing firm or other executing broker-dealer) can rely on that Member's regular and rigorous review as long as the statistical results and rationale of the review are fully disclosed to the Member and the Member periodically reviews how the review is conducted, as well as the results of the review.

• • • Supplementary Material • • •

.01 Best Execution and Information Leakage

In FINRA Regulatory Notice 15-46, FINRA provides guidance, among other things, on best execution obligations in equity markets. FINRA notes that in conducting a review of execution quality in any security, a firm should consider a variety of relevant factors. For a firm that routines routes a customer order to multiple trading centers, one such factor that is highlighted is information leakage and the impact of information leakage on execution quality. In particular, FINRA notes that: "[f]irms should consider the risk of information leakage by routing orders to a particular venue in light of the fill rates achieved at that venue and carefully assess whether the risks outweigh the potential for an execution."

IEX's order execution and routing methodology are designed to substantially reduce potential information leakage related to executions on IEX.

Rule 10.230. Publication of Transactions and Changes

(a) The Exchange shall cause to be disseminated for publication on the Consolidated Tape all last sale price reports of transactions executed through the facilities of the Exchange pursuant to the requirements of an effective transaction reporting plan approved by the Commission.

(b) To facilitate the dissemination of such last sale price reports, each Member shall cause to be reported to the Exchange, as promptly as possible after execution, all information concerning each transaction required by the effective transaction reporting plan.

(c) An official of the Exchange shall approve any corrections to reports transmitted over the consolidated tape. Any such corrections shall be made within one day after detection of the error.

Rule 10.240. Trading Ahead of Research Reports

(a) No Member shall establish, increase, decrease or liquidate an inventory position in a security or a derivative of such security based on non-public advance knowledge of the content or timing of a research report in that security.

(b) Members must establish, maintain and enforce policies and procedures reasonably designed to restrict or limit the information flow between research department personnel, or other persons with knowledge of the content or timing of a research report, and trading department personnel, so as to prevent trading department personnel from utilizing non-public advance knowledge of the issuance or content of a research report for the benefit of the Member or any other person.

Rule 10.250. Obligation to Honor System Trades

If a Member, or clearing member acting on a Member's behalf, is reported by the System, or shown by the activity reports generated by the System, as constituting a side of a System trade, such Member, or clearing member acting on its behalf, shall honor such trade on the scheduled settlement date.

Rule 10.260. Front Running of Block Transactions

(a) Members and persons associated with a Member shall comply with FINRA Rule 5270 as if such Rule were part of the Exchange's rules.

(b) Front Running of Non-Block Transactions. Although the prohibitions in FINRA Rule 5270 are limited to imminent block transactions, the front running of other types of orders that place the financial interests of the Member or persons associated with a Member ahead of those of its customer or the misuse of knowledge of an imminent customer order may violate other IEX Rules, including Rule 3.110 and Rule 10.160, or provisions of the federal securities laws.

Rule 10.270 Disruptive Quoting and Trading Activity Prohibited

No Member shall engage in or facilitate disruptive quoting and trading activity on the Exchange, as described in Supplementary Material .01 and .02 of this Rule, including acting in concert with other persons to effect such activity.

• • • Supplementary Material • • •

.01 For purposes of this Rule, disruptive quoting and trading activity shall include a frequent pattern in which the following facts are present:

(a) Disruptive Quoting and Trading Activity Type 1:

(1) a party enters multiple limit orders on one side of the market at various price levels (the "Displayed Orders"); and

(2) following the entry of the Displayed Orders, the level of supply and demand for the security changes; and

(3) the party enters one or more orders on the opposite side of the market of the Displayed Orders (the "Contra-Side Orders") that are subsequently executed; and

(4) following the execution of the Contra-Side Orders, the party cancels the Displayed Orders.

(b) Disruptive Quoting and Trading Activity Type 2:

(1) a party narrows the spread for a security by placing an order inside the NBBO; and

(2) the party then submits an order on the opposite side of the market that executes against another market participant that joined the new inside market established by the order described in paragraph (b)(1).

02 Applicability. For purposes of this Rule, disruptive quoting and trading activity shall include a frequent pattern in which the facts listed above are present. Unless otherwise indicated, the order of the events indicating the pattern does not modify the applicability of the Rule. Further, disruptive quoting and trading activity includes a pattern or practice in which all of the quoting and trading activity is conducted on the Exchange as well as a pattern or practice in which some portion of the quoting or trading activity is conducted on the Exchange and the other portions of the quoting or trading activity is conducted on one or more other exchanges.

CHAPTER 11. TRADING RULES

Rule Series 11.100. GENERAL TRADING RULES

Rule 11.110. Hours of Trading and Trading Days

(a) Orders may be executed on the Exchange or routed away from the Exchange during the Regular Market Session and during the Pre-Market Session and Post-Market Session. Certain order types and functionality are available only during the Regular Market Session as described in IEX Rule 11.190.

(b) The Exchange will be open for the transaction of business on business days. The Exchange will not be open for business on the following holidays: New Year's Day, Dr. Martin Luther King Jr. Day, Presidents Day, Good Friday, Memorial Day, Juneteenth National Independence Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas. When any holiday observed by the Exchange falls on a Saturday, the Exchange will not be open for business on the preceding Friday. When any holiday observed by the Exchange falls on a Sunday, the Exchange will not be open for business on the following Monday, unless otherwise indicated by the Exchange.

(c) The Chief Executive Officer of the Exchange, or his designee, who must be a senior officer of the Exchange, shall have the power to halt, suspend trading in any and all securities traded on the Exchange, to close some or all Exchange facilities, and to determine the duration of any such halt, suspension, or closing, when he deems such action necessary for the maintenance of fair and orderly markets, the protection of investors, or otherwise in the public interest including special circumstances such as (1) actual or threatened physical danger, severe climatic conditions, civil unrest, terrorism, acts of war, or loss or interruption of facilities utilized by the Exchange, (2) a request by a governmental agency or official, or (3) a period of mourning or recognition for a person or event. No such action shall continue longer than a period of two days, or as soon thereafter as a quorum of Directors can be assembled, unless the Board approves the continuation of such suspension.

(Amended by SR-IEX-2021-15 eff. November 9, 2021).

Rule 11.120. Securities Eligible for Trading

The Exchange shall designate securities for trading. Any class of securities listed or admitted to unlisted trading privileges on the Exchange shall be eligible to become designated for trading on the Exchange in accordance with the Rules of Chapters 14 and 16. All securities designated for trading are eligible for odd-lot, round-lot and mixed-lot executions, unless otherwise indicated by the Exchange or limited pursuant to the IEX Rules.

Rule 11.130. Access

(a) General. The System shall be available for entry and execution of orders by Members with authorized access. To obtain authorized access to the System, each Member must enter into a User Agreement with the Exchange in such form as the Exchange may provide ("User Agreement"). Pursuant to this IEX Rule 11.130 and as specified in IEX Rule 11.510, access to the System is available to Members (including the System routing all or a portion of a Member's routable order to the Order Book in accordance with the System routing logic), Sponsored Participants, Data Recipients (including the System routing logic), Service Bureaus, (collectively, "Participants"), and Extranet Providers (each as defined in this IEX Rule 11.130) via the IEX POP (as defined in Rule 11.510(b)). Access to the System and Exchange data products, as defined in paragraph (c) of this IEX Rule 11.130, is available to Participants using electronic communications that are compliant with the publically available IEX specifications.

(b) Sponsored Participants. A Sponsored Participant may obtain authorized access to the System only if such access is authorized in advance by one or more Sponsoring Members as follows:

(1) Sponsored Participants must enter into and maintain customer agreements with one or more Sponsoring Members establishing proper relationship(s) and account(s) through which the Sponsored Participant may trade on the System. Such customer agreement(s) must incorporate the Sponsorship Provisions set forth in paragraph (2) below.

(2) For a Sponsored Participant to obtain and maintain authorized access to the System, a Sponsored Participant and its Sponsoring Member must agree in writing to the following Sponsorship Provisions:

(A) Sponsored Participant and its Sponsoring Member must have entered into and maintain a User Agreement with the Exchange.

(B) Sponsoring Member acknowledges and agrees that:

(i) All orders entered by the Sponsored Participants and any person acting on behalf of or in the name of such Sponsored Participant and any executions occurring as a result of such orders are binding in all respects on the Sponsoring Member, and

(ii) Sponsoring Member is responsible for any and all actions taken by such Sponsored Participant and any person acting on behalf of or in the name of such Sponsored Participant.

(C) Sponsoring Member shall comply with the Exchange's Certificate of Formation, Operating Agreement, Rules and procedures, and Sponsored Participant shall comply with the Exchange's Certificate of Formation, Operating Agreement, Rules and procedures, as if Sponsored Participant were a Member.

(D) Sponsored Participant shall maintain, keep current and provide to the Sponsoring Member, and to the Exchange upon request, a list of Authorized Traders who may obtain access to the System on behalf of the Sponsored Participant. Sponsored Participant shall be subject to the obligations of IEX Rule 11.140 with respect to such Authorized Traders.

(E) Sponsored Participant shall familiarize its Authorized Traders with all of the Sponsored Participant's obligations under this IEX Rule and will assure that they receive appropriate training prior to any use or access to the System.

(F) Sponsored Participant may not permit anyone other than Authorized Traders to use or obtain access to the System.

(G) Sponsored Participant shall take reasonable security precautions to prevent unauthorized use or access to the System, including unauthorized entry of information into the System, or the information and data made available therein. Sponsored Participant understands and agrees that Sponsored Participant is responsible for any and all orders, trades and other messages and instructions entered, transmitted or received under identifiers, passwords and security codes of Authorized Traders, and for the trading and other consequences thereof.

(H) Sponsored Participant acknowledges its responsibility to establish adequate procedures and controls that permit it to effectively monitor its employees', agents' and customers' use and access to the System for compliance with the terms of the User Agreement.

(I) Sponsored Participant shall pay when due all amounts, if any, payable to Sponsoring Member, the Exchange or any other third parties that arise from the Sponsored Participant's access to and use of the System. Such amounts include, but are not limited to applicable exchange and regulatory fees.

(3) The Sponsoring Member must provide the Exchange with a written statement in form and substance acceptable to the Exchange identifying each Sponsored Participant by name and MPID and acknowledging its responsibility for the orders, executions and actions of such Sponsored Participant.

(c) Data Recipients. The System shall be available for receipt of the Exchange's data products specified in IEX Rule 11.330 (collectively, "Exchange data products") by data recipients with authorized access (including the System routing logic) ("Data Recipients"). To obtain authorized access to the Exchange data products, each Data Recipient must enter into a Data Agreement with the Exchange in such form as the Exchange may provide ("Data Agreement").

(d) Service Bureaus. The System shall be available for entry and execution of orders by Members with authorized access via a service bureau with authorized access ("Service Bureau"). To obtain authorized access to the System, each Service Bureau must enter into a Service Bureau Agreement with the Exchange in such form as the Exchange may provide ("Service Bureau Agreement").

(e) Extranet Providers. The System shall be available for entry and execution of orders by Members with authorized access via connectivity to the Exchange provided by an extranet provider with authorized access ("Extranet Provider"). To obtain authorized access to the System, each Extranet Provider must enter into a Connectivity Services Agreement with the Exchange in such form as the Exchange may provide ("Connectivity Services

Agreement" including the "Extranet Addendum") and support a minimum data exchange rate, as may be determined by the Exchange from time-to-time and disseminated in IEX information circulars.

Rule 11.140. Authorized Traders

(a) A Member shall maintain a list of ATs who may obtain access to the System on behalf of the Member or the Member's Sponsored Participants. The Member shall update the list of ATs as necessary. Members must provide the list of ATs to the Exchange upon request.

(b) A Member must have reasonable procedures to ensure that all ATs comply with all IEX Rules and all other procedures related to the System.

(c) A Member must suspend or withdraw a person's status as an AT if the Exchange has determined that the person has caused the Member to fail to comply with the Rules of the Exchange and the Exchange has directed the Member to suspend or withdraw the person's status as an AT.

(d) A Member must have reasonable procedures to ensure that the ATs maintain the physical security of the equipment for accessing the facilities of the Exchange to prevent the improper use or access to the systems, including unauthorized entry of information into the systems.

(e) To be eligible for registration as an AT of a Member a person must successfully complete the General Securities Representative Examination (Series 7) or the Securities Traders Qualification Examination (Series 57), or an equivalent foreign examination module approved by the Exchange as defined in Rule 2.160(h) and (i), and any other training and/or certification programs as may be required by the Exchange.

Rule 11.150. Registration as a Market Maker

(a) Quotations and quotation sizes may be entered into IEX only by a Member registered as an IEX Market Maker or other entity approved by IEX to function in a market-making capacity.

(b) An IEX Market Maker may become registered in an issue by entering a registration request via an IEX approved electronic interface with IEX's systems or by contacting IEX Market Operations. Registration shall become effective on the day the registration request is entered.

(c) An IEX Market Maker's registration in an issue shall be terminated by IEX if the market maker fails to enter quotations in the issue within five (5) business days after the market maker's registration in the issue becomes effective.

Rule 11.151. Market Maker Obligations

A Member registered as a Market Maker shall engage in a course of dealings for its own account to assist in the maintenance, insofar as reasonably practicable, of fair and orderly markets in accordance with this IEX Rule.

(a) Quotation Requirements and Obligations

(1) Two-Sided Quote Obligation. For each security in which a Member is registered as a Market Maker, the Member shall be willing to buy and sell such security for its own account on a continuous basis during regular market hours and shall enter and maintain a two-sided trading interest ("Two-Sided Obligation") that is identified to the Exchange as the interest meeting the obligation and is displayed in the Exchange's quotation at all times.

Interest eligible to be considered as part of a Market Maker's Two-Sided Obligation shall have a displayed quotation size of at least one normal unit of trading (or a larger multiple thereof); provided, however, that a Market Maker may augment its Two-Sided Obligation size to display limit orders priced at the same price as the Two-Sided Obligation. Unless otherwise designated, a "normal unit of trading" shall be 100 shares. After an execution against its Two-Sided Obligation, a Market Maker must ensure that additional trading interest exists in the Exchange to satisfy its Two-Sided Obligation either by immediately entering new interest to comply with this obligation to maintain continuous two-sided quotations or identify to the Exchange current resting interest that satisfies the Two-Sided Obligation.

(2) Pricing Obligations. For NMS stocks (as defined in Rule 600 under Regulation NMS) a Market Maker shall adhere to the pricing obligations established by this IEX Rule during the Regular Market Session; provided, however, that such pricing obligations (i) shall not commence during any trading day until after the first regular way transaction on the primary listing market in the security, as reported by the responsible single plan processor, and (ii) shall be suspended during a trading halt, suspension, or pause, and shall not re-commence until after the first regular way transaction on the primary listing market in the security following such halt, suspension, or pause, as reported by the responsible single plan processor.

(3) Bid Quotations. At the time of entry of bid interest satisfying the Two-Sided Obligation, the price of the bid interest shall be not more than the Designated Percentage lower than the then current National Best Bid, or if no National Best Bid, not more than the Designated Percentage lower than the last reported sale from the responsible single plan processor. In the event that the National Best Bid (or if no National Best Bid, the last reported sale) increases to a level that would cause the bid interest of the Two-Sided Obligation to be more than the Defined Limit lower than the National Best Bid (or if no National Best Bid, the last reported sale), or if the bid is executed or canceled, the Market Maker shall enter new bid interest at a price not more than the Designated Percentage lower than the then current National Best Bid (or if no National Best Bid, the last reported sale), or identify to the Exchange current resting interest that satisfies the Two-Sided Obligation.

(4) Offer Quotations. At the time of entry of offer interest satisfying the Two-Sided Obligation, the price of the offer interest shall be not more than the Designated Percentage higher than the then current National Best Offer, or if no National Best Offer, not more than the Designated Percentage higher than the last reported sale received from the responsible single plan processor. In the event that the National Best Offer (or if no National Best Offer, the last reported sale) decreases to a level that would cause the offer interest of the Two-Sided Obligation to be more than the Defined Limit higher than the National Best Offer (or if no National Best Offer, the last reported sale), or if the offer is executed or canceled, the Market Maker shall enter new offer interest at a price not more than the Designated Percentage higher than the then current National Best Offer (or if no National Best Offer, the last reported sale), or identify to the Exchange current resting interest that satisfies the Two-Sided Obligation.

(5) The National Best Bid and Offer shall be determined by the Exchange in accordance with its procedures for determining protected quotations under Rule 600 under Regulation NMS.

(6) For purposes of this IEX Rule, the "Designated Percentage" shall be eight (8) percentage points for securities that are included in the S&P 500®, Russell 1000® Index, or a pilot list of Exchange Traded Products; 28% for securities with a price equal to or greater than $1 per share that are not included in the S&P 500®, Russell 1000® Index, or a pilot list of Exchange Traded Products; and 30% for securities with a price less than $1 per share that are not included in the S&P 500® Index, Russell 1000® Index, or a pilot list of Exchange Traded Products; except

that between 9:30 a.m. and 9:45 a.m. and between 3:35 p.m. and the close of trading, the Designated Percentage shall be 20% for securities that are included in the S&P 500®, Russell 1000® Index, or a pilot list of Exchange Traded Products, 28% for securities with a price equal to or greater than $1 per share that are not included in the S&P 500®, Russell 1000® Index, or a pilot list of Exchange Traded Products, and 30% for securities with a price less than $1 per share that are not included in the S&P 500® Index, Russell 1000® Index, or a pilot list of Exchange Traded Products. The Designated Percentage for rights and warrants shall be 30%.

(7) For purposes of this IEX Rule, the "Defined Limit" shall be 9.5% for securities that are included in the S&P 500®, Russell 1000® Index, or a pilot list of Exchange Traded Products; 29.5% for with a price equal to or greater than $1 per share that are not included in the S&P 500®, Russell 1000® Index, or a pilot list of Exchange Traded Products; and 31.5% for securities with a price less than $1 per share that are not included in the S&P 500® Index, Russell 1000® Index, or a pilot list of Exchange Traded Products; except that between 9:30 a.m. and 9:45 a.m. and between 3:35 p.m. and the close of trading, the Defined Limit shall be 21.5% for securities that are included in the S&P 500®, Russell 1000® Index, or a pilot list of Exchange Traded Products; 29.5% for securities with a price equal to or greater than $1 per share that are not included in the S&P 500®, Russell 1000® Index, or a pilot list of Exchange Traded Products; and 31.5% for securities with a price less than $1 per share that are not included in the S&P 500® Index, Russell 1000® Index, or a pilot list of Exchange Traded Products.

(8) Reserved.

(9) Reserved.

(10) Nothing in this IEX Rule shall preclude a Market Marker from quoting at price levels that are closer to the National Best Bid and Offer than the levels required by this IEX Rule.

(11) The minimum quotation increment for quotations of $1.00 or above in all System Securities shall be $0.01. The minimum quotation increment in the System for quotations below $1.00 in System Securities shall be $0.0001.

(12) The individual Market Participant Identifier ("MPID") assigned to a Member to meet its Two-Sided Obligation pursuant to subparagraph (a)(1) of this IEX Rule shall be referred to as the Member's "Primary MPID." Market Makers may request the use of additional MPIDs that shall be referred to as "Supplemental MPIDs." A Market Maker that ceases to meet the obligations appurtenant to its Primary MPID in any security shall not be permitted to use a Supplemental MPID for any purpose in that security.

(13) Market Makers that are permitted the use of Supplemental MPIDs pursuant to subparagraph (12) above of this IEX Rule are subject to the same rules applicable to the Members' first quotation, with one exception: the continuous two-sided quote requirement and excused withdrawal procedures described in IEX Rule 11.152 do not apply to Market Makers' Supplemental MPIDs. Supplemental MPIDs may be identified to the Exchange as interest to satisfy a Market Maker's two-sided obligation, in which case in order to be satisfactory, the Supplemental MPID's interest must be no more than the Designated Percentage from the NBBO as described and defined in this IEX Rule 11.151(a).

(b) Firm Quotations

(1) All quotations and orders to buy and sell entered into the System by IEX Market Makers are firm and automatically executable for their displayed and non-displayed size in the System by all Users. A particular IEX

Market Maker's quotations may be canceled rather than executed if part of the same AIQ group as an opposite side order, as set forth in IEX Rule 11.190(e). Notwithstanding the foregoing, Market Makers may not use AIQ functionality to evade the firm quotation obligation.

(c) Impaired Ability to Enter or Update Quotations.

(1) In the event that an IEX Market Maker's ability to enter or update quotations is impaired, the market maker shall immediately contact IEX Market Operations to request the withdrawal of its quotations.

(2) In the event that an IEX Market Maker's ability to enter or update quotations is impaired and the market maker elects to remain in IEX, the IEX Market Maker shall execute an offer to buy or sell received from another Member at its quotations as disseminated through the Exchange.

(d) Reserved.

(e) Locked and Crossed Markets.

(1) Locked and Crossed Markets within the System: Any quotes or orders that are entered into the System that would lock or cross another order in the System will be executed by the System. For displayed orders only, this processing, set forth in IEX Rule 11.190(h)(1), ensures that no locked or crossed markets can exist within the System and that price improvement is allocated fairly.

(2) Inter-market Locked and Crossed Markets.

(A) Definitions. For purposes of this IEX Rule, the following definitions shall apply:

(i) The terms automated quotation, effective national market system plan, intermarket sweep order, manual quotation, NMS stock, protected quotation, the Regular Market Session, and trading center shall have the meanings set forth in Rule 600(b) of Regulation NMS under the Securities Exchange Act of 1934.

(ii) The term "Crossing Quotation" shall mean the display of a bid for an NMS stock during the Regular Market Session at a price that is higher than the price of an offer for such NMS stock previously disseminated pursuant to an effective national market system plan, or the display of an offer for an NMS stock during the Regular Market Session at a price that is lower than the price of a bid for such NMS stock previously disseminated pursuant to an effective national market system plan.

(iii) The term "Locking Quotation" shall mean the display of a bid for an NMS stock during the Regular Market Session at a price that equals the price of an offer for such NMS stock previously disseminated pursuant to an effective national market system plan, or the display of an offer for an NMS stock during the Regular Market Session at a price that equals the price of a bid for such NMS stock previously disseminated pursuant to an effective national market system plan.

(B) Prohibition. Except for quotations that fall within the provisions of paragraph (C) of this IEX Rule, IEX Members shall reasonably avoid displaying, and shall not engage in a pattern or practice of displaying any quotations that lock or cross a protected quotation, and any manual quotations that lock or cross a quotation previously disseminated pursuant to an effective national market system plan.

(C) Exceptions.

(i) The locking or crossing quotation was displayed at a time when the trading center displaying the locked or crossed quotation was experiencing a failure, material delay, or malfunction of its systems or equipment.

(ii) The locking or crossing quotation was displayed at a time when a Protected Bid was higher than a Protected Offer in the NMS stock.

(Amended by SR-IEX-2019-14 eff. December 13, 2019).

Rule 11.152. Withdrawal of Quotations

(a) Except as provided in paragraph (b) of this IEX Rule, a market maker that wishes to withdraw quotations in a security shall contact IEX Regulation to obtain excused withdrawal status prior to withdrawing its quotations. Withdrawals of quotations shall be granted by IEX Regulation only upon satisfying one of the conditions specified in this IEX Rule.

(b) An IEX Market Maker that wishes to obtain excused withdrawal status based on a market maker's systemic equipment problems, such as defects in an IEX Market Maker's software or hardware systems or connectivity problems associated with the circuits connecting Exchange systems with the IEX Market Maker's systems, shall contact IEX Market Operations. IEX Market Operations may grant excused withdrawal status based on systemic equipment problems for up to five (5) business days, unless extended by IEX Market Operations.

(c)

(1) For IEX-listed securities, excused withdrawal status based on circumstances beyond the IEX Market Maker's control, other than systemic equipment problems, may be granted for up to five (5) business days, unless extended by IEX Regulation. Excused withdrawal status based on demonstrated legal or regulatory requirements, supported by appropriate documentation and accompanied by a representation that the condition necessitating the withdrawal of quotations is not permanent in nature, may, upon notification, be granted for not more than sixty (60) days (unless such request is required to be made pursuant to paragraph (e) below). Excused withdrawal status based on religious holidays may be granted only if written notice is received by IEX one business day in advance and is approved by IEX. Excused withdrawal status based on vacation may be granted only if:

(A) The written request for withdrawal is received by IEX one business day in advance, and is approved by IEX

(B) The request includes a list of securities for which withdrawal is requested; and

(C) The request is made by an IEX Market Maker that meets the definition of a "Small Firm Member" pursuant to Definition Y of the FINRA Restated Certification of Incorporation, even if the IEX Market Maker is not a FINRA member.

The withdrawal of quotations because of pending news, a sudden influx of orders or price changes, or to effect transactions with competitors shall not constitute acceptable reasons for granting excused withdrawal status.

(2) For securities listed on exchanges other than IEX, an IEX Market Maker that wishes to withdraw quotations shall contact IEX Regulation to obtain excused withdrawal status prior to withdrawing its quotations. Excused withdrawal status based on illness, vacations or physical circumstances beyond the Market Maker's control may be granted for up to five (5) business days, unless extended by IEX Regulation. Excused withdrawal status based on investment activity or advice of legal counsel, accompanied by a representation that the condition necessitating the withdrawal of quotations is not permanent in nature, may, upon written request, be granted for not more than sixty (60) days. The withdrawal of quotations because of pending news, a sudden influx of orders or price changes, or to effect transactions with competitors shall not constitute acceptable reasons for granting excused withdrawal status.

(d) Excused withdrawal status may be granted to an IEX Market Maker that fails to maintain a clearing arrangement with a registered clearing agency or with a Member of such an agency and is withdrawn from participation in the trade reporting service of the Exchange, thereby terminating its registration as an IEX Market Maker. Provided however, that if IEX finds that the IEX Market Maker's failure to maintain a clearing arrangement is voluntary, the withdrawal of quotations will be considered voluntary and unexcused pursuant to IEX Rule 11.153 and the Rule 11 Series governing the Exchange. IEX Market Makers that fail to maintain a clearing relationship will have their Exchange system status set to "suspend" and be thereby prevented from entering, or executing against, any quotes/orders in the System.

(e) Excused withdrawal status may be granted to an IEX Market Maker that is a distribution participant or an affiliated purchaser in order to comply with SEC Rule 101 or 104 under the Act on the following conditions:

(1) A member acting as a manager (or in a similar capacity) of a distribution of a security that is a subject security or reference security under SEC Rule 101 and any member that is a distribution participant or an affiliated purchaser in such a distribution that does not have a manager shall provide written notice to IEX Regulation and the Market Regulation Department of FINRA no later than the business day prior to the first entire trading session of the one-day or five-day restricted period under SEC Rule 101, unless later notification is necessary under the specific circumstances.

(A) The notice required by subparagraph (e)(1) of this Rule shall be provided by submitting a completed Underwriting Activity Report that includes a request on behalf of each IEX Market Maker that is a distribution participant or an affiliated purchaser to withdraw the IEX Market Maker's quotations and includes the contemplated date and time of the commencement of the restricted period.

(B) The managing underwriter shall advise each IEX Market Maker that it has been identified as a distribution participant or an affiliated purchaser to IEX Regulation and that its quotations will be automatically withdrawn, unless a market maker that is a distribution participant (or an affiliated purchaser of a distribution participant) notifies IEX Regulation as required by subparagraph (e)(2), below.

(2) An IEX Market Maker that has been identified to IEX Regulation as a distribution participant (or an affiliated purchaser of a distribution participant) shall promptly notify IEX Regulation and the manager of its intention not to participate in the prospective distribution in order to avoid having its quotations withdrawn.

(3) If an IEX Market Maker that is a distribution participant withdraws its quotations in an IEX-listed security in order to comply with any provision of SEC Rules 101 or 104 and promptly notifies IEX Regulation of its action, the withdrawal shall be deemed an excused withdrawal. Nothing in this subparagraph shall prohibit IEX from taking

such action as is necessary under the circumstances against a Member and its associated persons for failure to contact IEX Regulation to obtain an excused withdrawal as required by subparagraphs (a) and (e) of this Rule.

(4) Reserved.

(5) A member acting as a manager (or in a similar capacity of a distribution subject to subparagraph (e)(1)) of this Rule shall submit a request to IEX Regulation and the Market Regulation Department of FINRA to rescind the excused withdrawal status of distribution participants and affiliated purchasers, which request shall include the date and time of the pricing of the offering, the offering price, and the time the offering terminated, and, if not in writing, shall be confirmed in writing no later than the close of business the day the offering terminates. The request by this subparagraph may be submitted on the Underwriting Activity Report.

(f) The IEX Appeals Committee shall have jurisdiction over proceedings brought by IEX Market Makers seeking review of the denial of an excused withdrawal pursuant to this IEX Rule, or the conditions imposed on their re-entry.

(g) An IEX Market Maker that wishes to reinstate its quotations in a security after an excused withdrawal pursuant to IEX Rule 11.152 shall contact IEX to notify IEX of its intention to be reinstated. Upon confirmation by IEX that the market maker is reinstated, the market maker will have no longer than ten minutes to meet its market making obligations under IEX Rule 11.152.

(Amended by SR-IEX-2017-37 eff. October 23, 2017).

Rule 11.153. Voluntary Termination of Registration

(a) An IEX Market Maker may voluntarily terminate its registration in a security by withdrawing its two-sided quotation from the Exchange. An IEX Market Maker that voluntarily terminates its registration in a security may not re-register as a market maker in that security for twenty (20) business days in the case of IEX-listed securities or for one (1) business day in the case of other securities. Withdrawal from participation as an IEX Market Maker in the Exchange shall constitute termination of registration as a market maker in that security for purposes of this IEX Rule; provided, however, that an IEX Market Maker that fails to maintain a clearing arrangement with a registered clearing agency or with a Member of such an agency and is withdrawn from participation in the Exchange and thereby terminates its registration as an IEX Market Maker may register as an IEX Market Maker at any time after a clearing arrangement has been reestablished unless IEX finds that the IEX Market Maker's failure to maintain a clearing arrangement is voluntary, in which case the withdrawal of quotations will be considered voluntary and unexcused.

(b) Notwithstanding the above, an IEX Market Maker that accidentally withdraws as an IEX Market Maker may be reinstated if:

(1) The IEX Market Maker notified Regulation of the accidental withdrawal as soon as practicable under the circumstances, but within at least one hour of such withdrawal, and immediately thereafter provided written notification of the withdrawal and reinstatement request;

(2) It is clear that the withdrawal was inadvertent and the IEX Market Maker was not attempting to avoid its market making obligations; and

(3) The IEX Market Maker's firm would not exceed the following reinstatement limitations:

(A) For firms that simultaneously made markets in less than 250 stocks during the previous calendar year, the firm can receive no more than two (2) reinstatements per year;

(B) For firms that simultaneously made markets in 250 or more but less than 500 stocks during the previous calendar year, the firm can receive no more than three (3) reinstatements per year; and

(C) For firms that simultaneously made markets in 500 or more stocks during the previous calendar year, the firm can receive no more than six (6) reinstatements per year.

(c) Factors that IEX will consider in granting a reinstatement under paragraph (b) of this IEX Rule include, but are not limited to:

(1) The number of accidental withdrawals by the IEX Market Maker in the past, as compared with IEX Market Makers making markets in a comparable number of stocks;

(2) The similarity between the symbol of the stock that the IEX Market Maker intended to withdraw from and the symbol of the stock that the IEX Market Maker actually withdrew from;

(3) Market conditions at the time of the withdrawal;

(4) Whether, given the market conditions at the time of the withdrawal, the withdrawal served to reduce the exposure of the Member's position in the security at the time of the withdrawal to market risk; and

(5) The timeliness with which the IEX Market Maker notified Regulation of the error.

(d) For purposes of paragraph (a) of this IEX Rule, a Market Maker shall not be deemed to have voluntarily terminated its registration in a security by voluntarily withdrawing its two-sided quotation from the Exchange if the IEX Market Maker's two-sided quotation in the subject security is withdrawn by IEX's systems due to issuer corporate action related to a dividend, payment or distribution, or due to a trading halt, and one of the following conditions is satisfied:

(1) The IEX Market Maker enters a new two-sided quotation prior to the close of the

(2) Regular Market Session on the same day when IEX's systems withdrew such a quotation;

(3) The IEX Market Maker enters a new two-sided quotation on the day when trading resumes following a trading halt, or, if the resumption of trading occurs when the market is not in regular session, the IEX Market Maker enters a new two-sided quotation prior to the opening of the next Regular Market Session; or

(4) Upon request from the market maker, IEX Regulation authorizes the market maker to enter a new two-sided quotation, provided that IEX Regulation receives the market maker's request prior to the close of the Regular Market Session on the next regular trading day after the day on which the Market Maker became eligible to re-enter a quotation pursuant to subparagraph (d)(1) or (d)(2) hereof and determines that the IEX Market Maker was not attempting to avoid its market making obligations by failing to re-enter such a quotation earlier.

(e) The IEX Appeals Committee shall have jurisdiction over proceedings brought by IEX Market Makers seeking review of their denial of a reinstatement pursuant to paragraphs (b) or (d) of this IEX Rule.

Rule 11.154. Suspension and Termination of Quotations

IEX may, pursuant to the procedures set forth in Chapter 9, suspend, condition, limit, prohibit or terminate the authority of an IEX Market Maker or Member Firm to enter quotations in one or more authorized securities for violations of applicable requirements or prohibitions.

Rule 11.160. Notification Requirements for Offering Participants.

(a) General.

This IEX Rule 11.160 sets forth the notice requirements applicable to all Members participating in offerings of listed securities for purposes of monitoring compliance with the provisions of SEC Regulation M. In addition to the requirements under this IEX Rule 11.160, Members also must comply with all applicable rules governing the withdrawal of quotations in accordance with SEC Regulation M.

(b) Definitions.

For purposes of this Rule, the following terms shall have the meanings as set forth in Rules 100 and 101 of SEC Regulation M: "actively traded", "affiliated purchaser", "covered security", "distribution", "distribution participant", "offering price", "penalty bid", "restricted period", "selling security holder", "stabilizing" and "syndicate covering transaction".

(c) Notice Relating to Distributions of Listed Securities Subject to a Restricted Period Under SEC Regulation M

(1) A Member acting as a manager (or in a similar capacity) of a distribution of any listed security that is a covered security subject to a restricted period under Rule 101 of SEC Regulation M shall provide written notice to the Exchange, in such form as specified by the Exchange, of the following:

(A) the Member's determination as to whether a one-day or five-day restricted period applies under Rule 101 of SEC Regulation M and the basis for such determination, including the contemplated date and time of the commencement of the restricted period, the listed security name and symbol, and identification of the distribution participants and affiliated purchasers, no later than the business day prior to the first complete trading session of the applicable restricted period, unless later notification is necessary under specific circumstances;

(B) the pricing of the distribution, including the listed security name and symbol, the type of security, the number of shares offered, the offering price, the last sale before the distribution, the pricing basis, the SEC effective date and time, the trade date, the restricted period, and identification of the distribution participants and affiliated purchasers, no later than the close of business the next business day following the pricing of the distribution, unless later notification is necessary under specific circumstances;

(C) the cancellation or postponement of any distribution for which prior notification of commencement of the restricted period has been submitted under paragraph (c)(1)(A) above, immediately upon the cancellation or postponement of such distribution; and

(D) If no Member is acting as a manager (or in a similar capacity) of such distribution, then each Member that is a distribution participant or affiliated purchaser shall provide the notice required under this paragraph (c)(1), unless another Member has assumed responsibility in writing for compliance therewith.

(2) Any Member that is an issuer or selling security holder in a distribution of any listed security that is a covered security subject to a restricted period under Rule 102 of SEC Regulation M shall comply with the notice requirements of paragraph (c)(1), unless another Member has assumed responsibility in writing for compliance therewith.

(d) Notice Relating to Distributions of "Actively Traded" Securities Under SEC Regulation M

A Member acting as a manager (or in a similar capacity) of a distribution of any listed security that is considered an "actively traded" security under Rule 101 of SEC Regulation M shall provide written notice to the Exchange, in such form as specified by the Exchange, of the following:

(1) the Member's determination that no restricted period applies under Rule 101 of SEC Regulation M and the basis for such determination; and

(2) the pricing of the distribution, including the listed security name and symbol, the type of security, the number of shares offered, the offering price, the last sale before the distribution, the pricing basis, the SEC effective date and time, the trade date, and identification of the distribution participants and affiliated purchasers.

Such notice shall be provided no later than the close of business the next business day following the pricing of the distribution, unless later notification is necessary under specific circumstances.

If no Member is acting as a manager (or in a similar capacity) of such distribution, then each Member that is a distribution participant or an affiliated purchaser shall provide the notice required under this paragraph (d), unless another Member has assumed responsibility in writing for compliance therewith.

(e) Notice of Stabilizing Bids, Penalty Bids and Syndicate Covering Transactions in Listed Securities

A Member placing or transmitting a stabilizing bid, imposing a penalty bid, or engaging in a syndicate covering transaction in connection with an offering of a listed security pursuant to Rule 104 of SEC Regulation M shall, unless another Member has assumed responsibility in writing for compliance with this paragraph (e), provide written notice to the Exchange, in such form as specified by the Exchange, of the following:

(1) the Member's intention to conduct such activity, prior to placing or transmitting the stabilizing bid, imposing the penalty bid or engaging in the first syndicate covering transaction, including identification of the listed security and its symbol and the date such activity will occur; and

(2) confirmation that the Member has placed or transmitted a stabilizing bid, imposed a penalty bid or engaged in a syndicate covering transaction, within one business day of completion of such activity, including identification of the listed security and its symbol, the total number of shares and the date(s) of such activity.

(Adopted by SR-IEX-2017-39 eff. November 13, 2017).

Rule 11.170. Reserved

(Adopted by SR-IEX-2018-02 eff. February 6, 2018; amended by SR-IEX-2018-11 eff. June 29, 2018; amended by SR-IEX-2020-02 eff. February 4, 2020).

Rule 11.180. Units of Trading

(a) One hundred (100) shares shall constitute a "round lot" or "normal unit of trade," any amount less than 100 shares shall constitute an "odd lot," and any amount greater than 100 shares that is not a multiple of a round lot shall constitute a "mixed lot." Certain securities, as designated by their Listing Markets, have a normal unit of trade of less than 100 shares, and so the Exchange shall conform to the direction of the Listing Markets.

(b) The minimum unit of trading on the System shall be one share.

Rule 11.190. Orders and Modifiers

Users may enter into the System the types of orders listed in this IEX Rule 11.190, subject to the limitations set forth in this IEX Rule or elsewhere in the IEX Rules. Order, modifier, and parameter combinations which are disallowed by the Exchange may be rejected, ignored, or overridden by the Exchange, as determined by the Exchange to facilitate the most orderly handling of User instructions.

(a) General Order Types.

(1) Limit Order. An order to buy or sell a stated amount of a security at a specified price ("limit price") or better. A "marketable" limit order is a limit order to buy (sell) at or above (below) the lowest (highest) Protected Offer (Bid) for the security. A limit order:

(A) May have any time-in-force ("TIF") supported by the System as described in paragraph (c) of this IEX Rule.

(B) May be either IEX Only or routable.

(C) May be an ISO, as defined in paragraph (b)(12) below. ISOs must be marked with a TIF of IOC.

(D) Must be submitted with a limit price.

(E) May be entered during the Pre-Market Session, Regular Market Session, and Post-Market Session.

(i) Limit orders marked IOC are accepted and eligible to trade or route during the Pre-Market Session, Regular Market Session, and Post-Market Session.

(ii) Limit orders marked FOK are accepted and eligible to trade during the Pre-Market Session, Regular Market Session, and Post-Market Session.

(iii) Limit orders marked DAY submitted before the open of the Regular Market Session are queued by the System until the Opening Auction (or Halt Auction, as applicable), pursuant to IEX Rule 11.350, or the Regular Market Session Opening Process, pursuant to IEX Rule 11.231. Limit orders marked DAY submitted during the Regular Market Session are accepted and begin trading or routing immediately. Limit orders entered into the System marked DAY, if not fully executed or canceled by the User, expire at the end of the Regular Market Session. Limit orders marked DAY are rejected in the Post-Market Session.

(iv) Limit orders marked GTT are accepted and eligible to trade or route during the Pre-Market Session, Regular Market Session, and Post-Market Session. Limit orders entered into the System marked GTT

begin trading or routing immediately and, if not fully executed or canceled by the User, expire at the earlier of the expiration time assigned by the User or the end of the Post-Market Session.

(v) Limit orders marked GTX submitted before the open of the Regular Market Session are queued by the System until the Opening Auction (or Halt Auction, as applicable), pursuant to IEX Rule 11.350, or the Regular Market Session Opening Process, pursuant to IEX Rule 11.231. Limit orders marked GTX submitted during the Regular Market Session and Post-Market Session are accepted and begin trading or routing immediately. Limit orders entered into the System marked GTX, if not fully executed or canceled by the User, expire at the end of the Post-Market Session.

(vi) Limit orders marked SYS are accepted and eligible to trade or route during the Pre-Market Session, Regular Market Session, and Post-Market Session. Limit orders entered into the System marked SYS begin trading or routing immediately and, if not fully executed or canceled by the User, expire at the end of the Post-Market Session.

(F) May be a MQTY, as defined in paragraph (b)(11) below.

(G) May be displayed, non-displayed, or partially displayed.

(H) Will include a Trade Now instruction, as defined in IEX Rule 11.190(b)(21) below, if the order is non-displayed, as defined in IEX Rule 11.190(b)(3) below.

(2) Market Order. An order to buy or sell a stated amount of a security that is to be executed at or better than the NBBO at the time the order reaches the Exchange. Market orders shall not trade through Protected Quotations. Any portion of a market order that is designated as "IEX Only" will be canceled if, upon receipt by the System, it cannot be executed by the Exchange in accordance with Rules 11.230 and 11.230(a). Any portion of a market order that is not designated as "IEX Only," i.e. routable orders as described in IEX Rule 11.230(b), and that cannot be executed in full in accordance with Rule 11.230(a)(1) and 11.230(a) on the Exchange when reaching the Exchange will be eligible for routing away pursuant to IEX Rule 11.230(a)(2). A routable market order will trade at increasingly aggressive prices, fully satisfying all Protected Quotations, until the order is fully filled, reaches the LULD Price Band, or reaches the Router Constraint, as defined in IEX Rule 11.190(f)(2). A market order:

(A) Must have a TIF of IOC, FOK, or DAY.

(B) May be either IEX Only or routable.

(C) May not be an ISO, as defined in paragraph (b)(12) below.

(D) May not be submitted with a limit price.

(E) May only trade during the Regular Market Session. Market orders submitted in the Pre-Market Session may queue for the Opening Process as defined below. Market orders submitted in the Post-Market Session will be rejected by the System.

(i) Market orders marked IOC are rejected during the Pre-Market Session and Post-Market Session. Market orders marked IOC are accepted and eligible to trade or route during the Regular Market Session.

(ii) Market orders marked FOK are rejected during the Pre-Market Session and Post-Market Session. Market orders marked FOK are accepted and eligible to trade during the Regular Market Session.

(iii) Market orders marked DAY submitted before the open of the Regular Market Session are rejected for non-IEX-listed securities, but will be queued by the System until the Opening Auction (or Halt Auction, as applicable) for IEX-listed securities pursuant to IEX Rule 11.350, except market orders marked DAY that are designated to route pursuant to Rule 11.230(c). Market orders marked DAY are eligible to trade or route during the Regular Market Session and treated by the System as having a TIF of IOC.

(iv) Market orders marked GTT are rejected.

(v) Market orders marked GTX are rejected.

(vi) Market orders marked SYS are rejected.

(F) May be a MQTY, as defined in paragraph (b)(11) below.

(G) Market orders are never displayable.

(3) Pegged Order. A non-displayed order that upon entry into the System and while resting on the Order Book, is pegged to a reference price based on the NBBO and the price of the order is automatically adjusted by the System in response to changes in the NBBO. A User can specify to peg the order to one of the following reference prices: one (1) MPV less aggressive than the primary quote (i.e., the NBB for buy orders and NBO for sell orders) while resting, and available for execution against opposing orders to its discretionary price (i.e., from the resting price to the primary quote) ("primary peg"); the midpoint of the NBBO ("midpoint peg" and "fixed midpoint peg"); the midpoint of the NBBO upon entry, the inside quote on the same side of the market while resting, and available for execution against opposing orders within its discretionary range (i.e. from the resting price to the Midpoint Price or the order's limit, whichever is less aggressive) at a price that uses the minimum amount of discretion necessary to execute the order against an active order ("Discretionary Peg"); the primary quote plus or minus an offset amount ("Offset Peg"); or the NBO (NBB) for buy (sell) orders minus (plus) an optional offset amount ("Market Peg"). A pegged order may have a limit price beyond which the order shall not be executed. A midpoint pegged order, a Discretionary Peg order, or a fixed midpoint pegged order may be executed in sub-pennies if necessary to obtain a Midpoint Price. A pegged order:

(A) May have any TIF described in paragraph (c) of this IEX Rule. Offset Peg orders may not have a TIF of IOC or FOK.

(B) Is not eligible for routing pursuant to IEX Rule 11.230(b) and (c)(2).

(C) May not be an ISO, as defined in paragraph (b)(12) below.

(D) May be submitted with a limit price or without a limit price (an "unpriced pegged order").

(E) May only trade during the Regular Market Session. Pegged orders submitted in the Pre-Market Session may queue for the Opening Process as defined below. Pegged orders submitted during the Post-Market Session will be rejected by the System.

(i) Pegged orders marked IOC are rejected during the Pre-Market Session and Post-Market Session. Pegged orders (except for Offset Peg orders) marked IOC are accepted and eligible to trade during the Regular Market Session. Offset Peg orders marked IOC are always rejected.

(ii) Pegged orders marked FOK are rejected during the Pre-Market Session and Post-Market Session. Pegged orders (except for Offset Peg orders) marked FOK are accepted and eligible to trade during the Regular Market Session. Offset Peg orders marked FOK are always rejected.

(iii) Pegged orders marked DAY submitted before the open of the Regular Market Session are queued by the System until the Regular Market Session Opening Process, pursuant to IEX Rule 11.231. Pegged orders marked DAY submitted during the Regular Market Session are accepted and begin trading immediately. Pegged orders entered into the System marked DAY, if not fully executed or canceled by the User, expire at the end of the Regular Market Session. Pegged orders marked DAY are rejected during the Post-Market Session.

(iv) Pegged orders marked GTT are rejected during the Pre-Market Session and Post-Market Session. Pegged orders marked GTT submitted during the Regular Market Session are accepted and begin trading immediately. Pegged orders entered into the System marked GTT, if not fully executed or canceled by the User, expire at the earlier of the expiration time assigned by the User or the end of the Regular Market Session.

(v) Pegged orders marked GTX are rejected during the Pre-Market Session and Post-Market Session. Pegged orders marked GTX submitted during the Regular Market Session are accepted and begin trading immediately. Pegged orders entered into the System marked GTX, if not fully executed or canceled by the User, expire at the end of the Regular Market Session.

(vi) Pegged orders marked SYS are rejected during the Pre-Market Session and Post-Market Session. Pegged orders marked SYS submitted during the Regular Market Session are accepted and begin trading immediately. Pegged orders entered into the System marked SYS, if not fully executed or canceled by the User, expire at the end of the Regular Market Session.

(F) May be a MQTY, as defined in paragraph (b)(11) below.

(G) Is not eligible to display. Pegged orders are always non-displayed.

(4) All Orders are processed, prioritized, time-stamped, and managed as described in IEX Rule 11.220.

(b) Order Parameters.

(1) Displayed Order. An order with its full quantity displayed. Limit orders, other than those marked IOC or FOK, may have their unexecuted portions posted on the Order Book. All such orders are considered fully displayed by the System, except those orders marked otherwise by Users, or prohibited from being displayed by the Rules. Displayed orders and displayed portions of orders may be referred to as "quotations" of the Exchange. All Exchange quotations are firm, which means they are automatically executable for their displayed size in the System. All Exchange quotations compete for priority as displayed orders pursuant to IEX Rule 11.220. A displayed order:

(A) Must be a limit order.

(B) Must have a TIF of DAY, GTX, SYS, or GTT.

(C) May be either IEX Only or routable.

(D) May not be an ISO, as defined in paragraph (12) below.

(E) Must be submitted with a limit price.

(F) May be submitted during the Pre-Market Session, Regular Market Session, and Post-Market Session.

(G) May not be a MQTY, as defined in paragraph (11) below.

(H) May be an odd lot, round lot, or mixed lot.

(I) Is not eligible to be invited by the System to Recheck as described in IEX Rule 11.230(a)(4)(D).

(J) A displayed, non-routable, round or mixed lot limit order may include a Post Only instruction, as defined in paragraph (20) below.

(2) Reserve Order. An order with a portion of the quantity displayed ("display quantity") and with a non-displayed reserve portion of the quantity ("reserve quantity"). The User instructed display quantity may be a fixed or random number of shares; and an odd, mixed, or round lot quantity. An incoming reserve order is first processed as a single order of its full, unexecuted share size as it checks the Order Book for eligible resting contra interest. If it is not fully executed, it will be posted to the Order Book and effectively be treated as two discrete orders: one displayed for the User instructed fixed or random replenishments quantity ("displayed portion"), and one non-displayed for all other remaining, unexecuted shares ("non-displayed portion"). For the purposes of pricing reserve orders on the Order Book, displayed portions are treated as displayed orders and non-displayed portions are treated as non-displayed orders. As described in IEX Rule 11.190(h), it is possible for the non-displayed portion to rest at a different price than the displayed portion, since the non-displayed portion is subject to non-displayed price sliding while the displayed portion is subject to display-price sliding. The User must specify a base display quantity ("Max Floor") and may enter a replenishment value as described in subparagraph (2)(A) of this Rule 11.190(b). If the reserve order has a Max Floor of at least one round lot and the displayed portion of the reserve order is decremented such that less than one round lot would be displayed, the displayed portion of the reserve order shall be replenished from the non-displayed portion pursuant to subparagraph (2)(A) of this Rule 11.190(b) (the "replenishment process") or by the entire reserve quantity, if the total number of unexecuted shares in the order is smaller than the replenishment quantity determined by the replenishment process. If a reserve order has a Max Floor that is less than a round lot, and the displayed portion of the reserve order is decremented to zero shares, the displayed portion of the reserve order shall be replenished from the non-displayed portion pursuant to the replenishment process, or by the entire reserve quantity, if the total number of unexecuted shares in the order is smaller than replenishment quantity determined by the replenishment process. Each time the displayed portion of the order is replenished from the reserve quantity, that portion is prioritized behind other existing displayed orders; the priority of the non-displayed portion, however, is unchanged by the replenishment process. A reserve order has the following attributes:

(A) Replenishment Options. The following replenishment options determine the size of the displayed quantity for any reserve order that does not fully execute on entry.

(i) Random Replenishment. An optional instruction a User may attach to a reserve Order where initial and replenishment displayed quantities for the order are randomly determined by the System within a replenishment range specified by the User. Specifically, the User must specify a replenishment value and a Max Floor (which may be either a round lot multiple or less than one round lot, but may not be a single round lot or a mixed lot). The display quantity will be determined by the System randomly selecting a number of shares as follows:

(a) If the Max Floor is equal to a round lot multiple, the User must select a replenishment value in a round lot or multiple thereof that is less than the Max Floor. The System will determine the initial and replenishment displayed quantity each time the order is subject to replenishment by randomly selecting a round lot number of shares that is between: (i) the Max Floor minus the replenishment value; and (ii) the Max Floor plus the replenishment value.

(b) If the Max Floor is less than one round lot, the User must select a replenishment value of one or more shares that is less than the Max Floor. The System will determine the initial and replenishment displayed quantity each time the order is subject to replenishment by randomly selecting a number of shares that is between: (i) the Max Floor minus the replenishment value; and (ii) the Max Floor plus the replenishment value (provided that if the Max Floor plus the replenishment value equals a round lot or greater, the high end of the replenishment range will be one share less than a round lot).

(ii) Fixed Replenishment. For an order for which the random replenishment instruction has not been selected, the displayed replenishment quantity will be equal to the Max Floor.

(B) Must be a limit order, including a Discretionary Limit order.

(C) Must have a TIF of DAY, GTX, SYS, or GTT.

(D) May be either IEX Only or routable.

(E) May not be an ISO, as defined in paragraph (12) below.

(F) Must be submitted with a limit price.

(G) May be submitted during the Pre-Market Session, Regular Market Session, and Post-Market Trading Session, with the exception of Discretionary Limit reserve orders, which may only be submitted as set forth in IEX Rule 11.190(b)(7)(F)(v).

(H) May not be a MQTY, as defined in paragraph (11) below.

(I) Displayed portions of reserve orders are not eligible to be invited by the System to Recheck as described in IEX Rule 11.230(a)(4)(D).

(J) Non-displayed portions of reserve orders will include a Trade Now instruction, as defined in paragraph (21) below.

(3) Non-Displayed Order. An order for which no portion is displayed on the Exchange. A non-displayed order:

(A) May be a market order, limit order, or pegged order. Note that pegged orders must be non-displayed. Additionally, note that market orders are never eligible to rest on the Order Book, and are therefore considered by definition to be non-displayable.

(B) May have any TIF described in section (c) of this IEX Rule. Note that IOC and FOK orders are never eligible to rest on the Order Book, and are therefore considered by definition to be non-displayable.

(C) May be either IEX Only or routable.

(D) May be an ISO, as defined in paragraph (12) below. ISOs may only be marked with a TIF of IOC.

(E) May be submitted with a limit price, but not required if a market order or pegged order.

(F) May be submitted during the Pre-Market Session, Regular Market Session, and Post-Market Session.

(G) May be a MQTY, as defined in paragraph (11) below.

(H) May be an odd lot, round lot, or mixed lot.

(I) Is eligible to be invited by the System to Recheck as described in IEX Rule 11.230(a)(4)(D).

(4) Odd Lot Order. An order to buy or sell an odd lot as defined by Rule 11.180. Odd lot orders marked for display are only eligible to be Protected Quotations if aggregated to form at least a round lot.

(5) Mixed Lot Order. An order to buy or sell a mixed lot as defined by Rule 11.180. Odd lot portions of mixed lot orders marked for display are only eligible to be Protected Quotations if aggregated to form a round lot.

(6) IEX Only Order. An order that is to be ranked and executed on the Exchange pursuant to IEX Rule 11.220 and IEX Rule 11.230(a)(1) or canceled, without routing away to an away trading center. An IEX Only order posting to the Order Book, will be subject to the price sliding process as set forth in paragraph (h).

(7) Discretionary Limit Order. A displayed, nondisplayed, or partially displayed Limit order that upon entry and when posting to the Order Book, is priced to be equal to and ranked at the order's limit price, except under the following circumstances:

(A) Upon entry during periods of quote instability, as defined in Rule 11.190(g)(2), if a Discretionary Limit buy order has a limit price equal to or higher than the quote instability determination price level in effect, the price of the order will be automatically adjusted by the System to one (1) MPV lower than the quote instability determination price level in effect.

(B) Upon entry during periods of quote instability, as defined in Rule 11.190(g)(2), if a Discretionary Limit sell order has a limit price equal to or lower than the quote instability determination price level in effect, the

price of the order will be automatically adjusted by the System to one (1) MPV higher than the quote instability determination price level in effect.

(C) While unexecuted shares of a Discretionary Limit buy order are posted to the Order Book, if a quote instability determination is made, and such shares are ranked and displayed (in the case of a displayed order or the displayed portion of a reserve order) by the System at a price equal to or higher than the quote instability determination price level, the price of the order will be automatically adjusted by the System to one (1) MPV lower than the quote instability determination price level.

(D) While unexecuted shares of a Discretionary Limit sell order are posted to the Order Book, if a quote instability determination is made, and such shares are ranked and displayed (in the case of a displayed order or the displayed portion of a reserve order) by the System at a price equal to or lower than the quote instability determination price level, the price of the order will be automatically adjusted by the System to one (1) MPV higher than the quote instability determination price level.

(E) Cancel/Re-price Functionality. Users may attach an optional instruction to a Discretionary Limit order to either re-price or cancel an order that was price adjusted pursuant to subparagraphs (A)-(D) above if the buy (sell) order is resting at a price that is less aggressive than the NBB (NBO) ten (10) milliseconds after the most recent quote instability determination, pursuant to paragraph (g) of this IEX Rule 11.190, that resulted in the order being price adjusted pursuant to subparagraphs (A)-(D) above, as set forth in subparagraph (i) or (ii) below.

(i) Re-price. A buy (sell) order with the optional re-price instruction will be automatically re-priced to the less aggressive of the order's limit price or the NBB (NBO).

(ii) Cancel. An order with the optional cancel instruction will be automatically cancelled.

(F) Once the price of a Discretionary Limit order that has been posted to the Order Book is automatically adjusted by the System, the order will continue to be ranked and displayed (in the case of a displayed order or the displayed portion of a reserve order) at the adjusted price, unless subject to another automatic adjustment pursuant to subparagraphs (C) – (D) above, or the optional re-price functionality described in subparagraph (E), above. When the price of a Discretionary Limit order is adjusted, the order will receive a new time priority. If multiple Discretionary Limit orders are adjusted at the same time, their relative time priority will be maintained. A Discretionary Limit order:

(i) Must be submitted with a limit price.

(ii) May have a TIF of DAY, GTX, SYS or GTT.

(iii) Is not eligible for routing pursuant to IEX Rule 11.230(b) and (c)(2).

(iv) May not be an ISO, as defined in paragraph (12) below.

(v) Is eligible to trade only during the Regular Market Session. A D-Limit order marked with a TIF of DAY that is submitted to the System before the opening of the Regular Market Session will be queued by the System until the start of the Regular Market Session; if marked with a TIF other than DAY the D-Limit order will be rejected when submitted to the System during the Pre-Market

Session. A D-Limit order submitted into the System after the closing of the Regular Market Session will be rejected.

(vi) Non-displayed Discretionary Limit orders may be a MQTY, as defined in paragraph (11) below. Displayed and partially displayed (i.e., reserve) Discretionary Limit orders may not be a MQTY, as defined in paragraph (11) below.

(vii) May be an odd lot, round lot, or mixed lot.

(viii) Displayed Discretionary Limit orders, including the displayed portion of a Discretionary Limit reserve order, are not eligible to be invited by the System to Recheck as described in IEX Rule 11.230(a)(4)(D).

(ix) Discretionary Limit orders are subject to the Price Sliding provisions of IEX Rule 11.190(h).

(x) A displayed round or mixed lot Discretionary Limit order may include a Post Only instruction, as defined in paragraph (20) below.

(xi) A non-displayed Discretionary Limit order will include a Trade Now instruction, as defined in paragraph (21) below.

(8) Primary Peg Order. A pegged order that upon entry and when posting to the Order Book, the price of the order is automatically adjusted by the System to be equal to and ranked at the less aggressive of one (1) MPV less aggressive than the primary quote (i.e. the NBB for buy orders and NBO for sell orders) or the order's limit price, if any. While resting on the Order Book, the order is automatically adjusted by the System in response to the changes in the NBB (NBO) for buy (sell) orders up (down) to the order's limit price, if any. In order to meet the limit price of active orders on the Order Book, a primary peg order will exercise price discretion to its discretionary price (defined as the primary quote), except during periods of quote instability as defined by paragraph (g)(1) or (g)(2) below, as selected by the User, or where the primary peg order is resting at its limit price, if any. When exercising price discretion, a primary peg order maintains time priority at its resting price and is prioritized behind any non-displayed interest resting at the discretionary price for the duration of that book processing action. If multiple primary peg orders are exercising price discretion during the same book processing action, they maintain their relative time priority at the discretionary price. A primary peg order:

(A) Must be a pegged order.

(B) May have any TIF described in IEX Rule 11.190(a)(3).

(C) Is not eligible for routing pursuant to IEX Rule 11.230(b) and (c)(2).

(D) May not be an ISO, as defined in paragraph (12) below.

(E) May be submitted with a limit price or without a limit price (an "unpriced pegged order").

(F) Is eligible to trade only during the Regular Market Session. As provided in IEX Rule 11.190(a)(3)(E)(iii), any pegged order, marked with a TIF of DAY that is submitted to the System before the opening of the Regular Market Session will be queued by the System until the start of the Regular Market Session; any

pegged order that is marked with a TIF other than DAY will be rejected when submitted to the System during the Pre-Market Session. Any pegged order submitted into the System after the closing of the Regular Market Session will be rejected.

(G) May be a MQTY, as defined in paragraph (11) below.

(H) Is not eligible to display. Pegged orders are always non-displayed.

(I) May be an odd lot, round lot, or mixed lot.

(J) Is eligible to be invited by the System to Recheck the Order Book to trade against eligible resting contra-side interest as described in IEX Rule 11.230(a)(4)(D).

(K) Is eligible to exercise price discretion to its discretionary price, except during periods of quote instability, as specified in paragraph (g) below.

(i) If the System determines the NBB for a particular security to be an unstable quote in accordance with paragraph (g) below, it will restrict buy primary peg orders in that security from exercising price discretion to trade against interest at the NBB. If the User selected the quote instability determination set forth in paragraph (g)(1) below, the System will restrict the primary peg order from exercising such price discretion if the current NBB is the same as the NBB upon which the determination was based. If the User selected the quote instability determination set forth in paragraph (g)(2) below, the System will restrict a primary peg order from exercising such price discretion even if the current NBB is different than the price upon which the determination was based.

(ii) If the System determines the NBO for a particular security to be an unstable quote in accordance with paragraph (g) below, it will restrict sell primary peg orders in that security from exercising price discretion to trade against interest at the NBO. If the User selected the quote instability determination set forth in paragraph (g)(1) below, the System will restrict the primary peg order from exercising such price discretion if the current NBO is the same as the NBO upon which the determination was based. If the User selected the quote instability determination set forth in paragraph (g)(2) below, the System will restrict a primary peg order from exercising such price discretion even if the current NBO is different than the price upon which the determination was based.

(9) Midpoint Peg Order. A pegged order that upon entry and when posting to the Order Book, the price of the order is automatically adjusted by the System to be equal to and ranked at the less aggressive of the Midpoint Price or the order's limit price, if any. While resting on the Order Book, the order is automatically adjusted by the System in response to changes in the midpoint of the NBBO as allowed by the order's limit price, if any. A midpoint peg order:

(A) Must be a pegged order.

(B) May have any TIF described in paragraph (c) of this IEX Rule and as described in IEX Rule 11.190(a)(3).

(C) Is not eligible for routing pursuant to IEX Rule 11.230(b) and (c)(2).

(D) May not be an ISO, as defined in paragraph (12) below.

(E) May be submitted with a limit price or without a limit price (an "unpriced pegged order").

(F) Is eligible to trade only during the Regular Market Session. As provided in IEX Rule 11.190(a)(3)(E)(iii), any pegged order marked with a TIF of DAY that is submitted to the System before the opening of the Regular Market Session will be queued by the System until the start of the Regular Market Session; any pegged order that is marked with a TIF other than DAY will be rejected when submitted to the System during the Pre-Market Session. Any pegged order submitted into the System after the closing of the Regular Market Session will be rejected.

(G) May be a MQTY, as defined in paragraph (11) below.

(H) Is not eligible to display. Pegged orders are always non-displayed.

(I) May be an odd lot, round lot, or mixed lot.

(J) Is eligible to be invited by the System to Recheck the Order Book to trade against eligible resting contra-side interest as described in IEX Rule 11.230(a)(4)(D).

(K) May include a Trade Now instruction, as defined in paragraph (21) below.

(10) Discretionary Peg Order. A pegged order that upon entry into the System, the price of the order is automatically adjusted by the System to be equal to the less aggressive of the Midpoint Price or the order's limit price, if any. When unexecuted shares of such order are posted to the Order Book, the price of the order is automatically adjusted by the System to be equal to and ranked at the less aggressive of one (1) MPV less aggressive than the primary quote (i.e., the NBB for buy orders and NBO for sell orders) or the order's limit price and is automatically adjusted by the System in response to changes in the NBB (NBO) for buy (sell) orders up (down) to the order's limit price, if any. In order to meet the limit price of active orders on the Order Book, a Discretionary Peg order will exercise the least amount of price discretion necessary from the Discretionary Peg order's resting price to its discretionary price (defined as the less aggressive of the Midpoint Price or the Discretionary Peg order's limit price, if any, or as set forth in IEX Rule 11.190(h)(2)(B)), except during periods of quote instability as defined in paragraph (g)(1) or (g)(2) below, as selected by the User, when a Discretionary Peg order is only eligible to trade at its resting price. When exercising price discretion, a Discretionary Peg order maintains time priority at its resting price and is prioritized behind any non-displayed interest at the discretionary price for the duration of that book processing action. If multiple Discretionary Peg orders are exercising price discretion during the same book processing action, they maintain their relative time priority at the discretionary price. A Discretionary Peg order:

(A) Must be a pegged order.

(B) May have any TIF described in paragraph (c) of this IEX Rule and as described in IEX Rule 11.190(a)(3).

(C) Is not eligible for routing pursuant to IEX Rule 11.230(b) and (c)(2).

(D) May not be an ISO, as defined in paragraph (12) below.

(E) May be submitted with a limit price or without a limit price (an "unpriced pegged order").

(F) Is eligible to trade only during the Regular Market Session. As provided in IEX Rule 11.190(a)(3)(E)(iii), any pegged order marked with a TIF of DAY that is submitted to the System before the opening of the Regular Market Session will be queued by the System until the start of the Regular Market Session; any pegged order which is marked with a TIF other than DAY will be rejected when submitted to the System during the Pre-Market Session. Any pegged order submitted into the System after the closing of the Regular Market Session will be rejected.

(G) May be a MQTY, as defined in paragraph (11) below.

(H) Is not eligible to display. Pegged orders are always non-displayed.

(I) May be an odd lot, round lot, or mixed lot.

(J) Is eligible to be invited by the System to Recheck the Order Book to trade against eligible resting contra-side interest as described in IEX Rule 11.230(a)(4)(D).

(K) Is eligible to exercise price discretion to its discretionary price, except during periods of quote instability, as specified in paragraph (g) below.

(i) If the System determines the NBB for a particular security to be an unstable quote in accordance with paragraph (g), it will restrict buy Discretionary Peg orders in that security from exercising price discretion to trade against interest at or above the NBB. If the User selected the quote instability determination set forth in paragraph (g)(1) below, the System will restrict the Discretionary Peg order from exercising such price discretion if the current NBB is the same as the NBB upon which the determination was based. If the User selected the quote instability determination set forth in paragraph (g)(2) below, the System will restrict the Discretionary Peg order from exercising such price discretion even if the current NBB is different than the price upon which the determination was based.

(ii) If the System determines the NBO for a particular security to be an unstable quote in accordance with paragraph (g), it will restrict sell Discretionary Peg orders in that security from exercising price discretion to trade against interest at or below the NBO. If the User selected the quote instability determination set forth in paragraph (g)(1) below, the System will restrict the Discretionary Peg order from exercising such price discretion if the current NBO is the same as the NBO upon which the determination was based. If the User selected the quote instability determination set forth in paragraph (g)(2) below, the System will restrict the Discretionary Peg order from exercising such price discretion even if the current NBO is different than the price upon which the determination was based.

(11) Minimum Quantity Order ("MQTY"). A non-displayed, non-routable order which must have at least the minimum indicated share size satisfied in order to execute. Upon order entry or order amendment by the User the "effective minimum quantity" of an order is equal to the lesser of the submitted minimum quantity or the total share size of the order. A MQTY:

(A) May be a market order, limit order, or pegged order.

(B) May have any TIF described in paragraph (c) of this IEX Rule, except a TIF of FOK. A MQTY submitted to the System with a TIF of FOK will be rejected.

(C) Is not eligible for routing pursuant to IEX Rule 11.230(b) and (c)(2).

(D) May not be an ISO, as defined in paragraph (12) below.

(E) May be submitted with or without a limit price.

(F) May be entered during the Pre-Market Session, Regular Market Session, and Post-Market Session. MQTY are not eligible to participate in the Opening Process pursuant to IEX Rule 11.231.

(G) Based on User instruction, the Exchange utilizes one of the following methods to determine satisfaction of the minimum quantity parameter for an order:

(i) Methods. A MQTY must be marked Composite, Minimum Execution Size with Cancel Remaining ("MinExec with Cancel Remaining"), or Minimum Execution Size with All-or-None Remaining ("MinExec with AON Remaining").

(ii) When a MQTY has fewer remaining unexecuted shares than its effective minimum quantity.

(a) If marked MinExec with Cancel Remaining, the System will cancel the order back to the User.

(b) Otherwise, the System will treat the order as having an effective minimum quantity equal to its number of unexecuted shares.

(iii) When a MQTY is active (i.e. an active order).

(a) If marked Composite, it executes against all willing resting orders of any size, provided that the aggregate execution size is equal to or greater than its effective minimum quantity.

(b) If marked MinExec with Cancel Remaining or MinExec with AON Remaining, it executes against each willing resting order in priority, provided that each individual execution size meets its effective minimum quantity. Upon reaching a resting order that would trade with the MQTY, but does not satisfy its effective minimum quantity, the MQTY will post to the Order Book or cancel back to the User as per the order's instructions.

(c) Any incoming MQTY order that would otherwise be executable against a resting non-displayed order but for the MQTY order's specific conditions will be booked and ranked by the System at the less aggressive of the incoming MQTY order's limit price, if any, or the contra-side protected quotation (i.e. the NBO for buy orders and NBB for sell orders) unless the Exchange's Protected Bid (for offers) or Protected Offer (for bids) is equal to the current NBB (for offers) or current NBO (for bids), in which case the incoming MQTY order is booked and ranked on the Order Book non-displayed one (1) MPV below the current NBO (for bids) or one (1) MPV above the current NBB (for offers).

(iv) When a MQTY is resting on the Order Book (i.e. a resting order).

(a) The MQTY executes against a willing active order provided the active order's remaining unexecuted shares are equal to or greater than the MQTY's effective minimum quantity.

(b) Any incoming MQTY order that would otherwise be executable against the resting MQTY order, but for either MQTY order's specific conditions, will be booked and ranked by the System at the less aggressive of the incoming MQTY order's limit price, if any, or the contra-side protected quotation (i.e. the NBO for buy orders and NBB for sell orders). Such order will not be eligible to trade at a price above (below) any non-displayed sell (buy) orders that are priced below (above) the price of such MQTY order. If the Exchange's Protected Bid (for offers) or Protected Offer (for bids) is equal to the current NBB (for offers) or current NBO (for bids), the incoming MQTY order will be booked and ranked on the Order Book non-displayed one (1) MPV below the current NBO (for bids) or one (1) MPV above the current NBB (for offers).

(H) May be an odd lot, round lot, or mixed lot.

(12) Inter-market Sweep Orders. The System will accept incoming Inter-market Sweep Orders ("ISO") (as such term is defined in Regulation NMS). In order to be eligible for treatment as an Inter-market Sweep Order, the limit order must be marked "ISO" and the User entering the order must simultaneously route one or more additional limit orders marked "ISO," as necessary, to away markets to execute against the full displayed size of any Protected Quotation for the security with a price that is superior to the limit price of the Inter-market Sweep Order entered in the System. Such orders, if they meet the requirements of the foregoing sentence, may be executed at one or multiple price levels in the System without regard to Protected Quotations at away markets consistent with Regulation NMS (i.e., may trade through such quotations). The Exchange relies on the marking of an order as an ISO order when handling such order, and thus, it is the entering User's responsibility, not the Exchange's responsibility, to comply with the requirements of Regulation NMS relating to Inter-market Sweep Orders. An ISO:

(A) Must be a limit order.

(B) Must have a TIF of IOC.

(C) Is not eligible for routing pursuant to IEX Rule 11.230(b) and (c)(2).

(D) Must be submitted with a limit price.

(E) May be submitted during the Pre-Market Session, Regular Market Session, and Post-Market Session.

(F) May not be a MQTY.

(G) May be an odd lot, round lot, or mixed lot.

(13) Offset Peg Order. A pegged order that upon entry and when posting to the Order Book, the price of the order is automatically adjusted by the System to be equal to and ranked at the less aggressive of the primary quote (i.e. the NBB for buy orders and NBO for sell orders) plus or minus an offset amount or the order's limit price, if any. While resting on the Order Book, (i) a buy order is automatically adjusted by the System in response to the changes in the NBB plus or minus the offset amount up to the order's limit price, if any; and (ii) a sell order is

automatically adjusted by the System in response to changes in the NBO plus or minus the offset amount down to the order's limit price, if any. An Offset Peg order:

(A) Must be a pegged order.

(B) Must have a TIF of DAY, GTT, GTX, or SYS, as described in IEX Rule 11.190(a)(3).

(C) Is not eligible for routing pursuant to IEX Rule 11.230(b) and (c)(2).

(D) May not be an ISO, as defined in paragraph (12) above.

(E) May be submitted with a limit price or without a limit price (an "unpriced pegged order").

(F) Is eligible to trade only during the Regular Market Session. As provided in IEX Rule 11.190(a)(3)(E)(iii), any pegged order, marked with a TIF of DAY that is submitted to the System before the opening of the Regular Market Session will be queued by the System until the start of the Regular Market Session; any pegged order that is marked with a TIF other than DAY will be rejected when submitted to the System during the Pre-Market Session. Any pegged order submitted into the System after the closing of the Regular Market Session will be rejected.

(G) May be a MQTY, as defined in paragraph (11) below.

(H) Is not eligible to display. Pegged orders are always non-displayed.

(I) May be an odd lot, round lot, or mixed lot.

(J) Is eligible to be invited by the System to Recheck as described in IEX Rule 11.230(a)(4)(D).

(K) Will not be eligible to trade when the market is locked or crossed.

(L) May be submitted with an offset amount that is either aggressive or passive compared to the primary quote. If the offset amount would result in the price of an Offset Peg order being more aggressive than the contra-side protected quotation, the offset amount will be reduced so that the order is booked and ranked on the Order Book non-displayed at the contra-side protected quotation (i.e. the NBO for buy orders and NBB for sell orders), unless the Exchange's Best Bid (for offers) or Best Offer (for bids) is equal to the current NBB (for offers) or current NBO (for bids), in which case the order is booked and ranked on the Order Book non-displayed one (1) MPV below the current NBO (for bids) or one (1) MPV above the current NBB (for offers), as set forth in IEX Rule 11.190(h)(2), until such time as the full value of the offset amount will not result in the price of the Offset Peg order being more aggressive than the contra-side protected quotation, except when the order is an active order. If no offset amount is specified, the System will consider the offset amount to be zero.

(M) May include a Trade Now instruction, as defined in paragraph (21) below.

• • • Supplementary Material • • •

.01 Reserve Orders

As stated in paragraph (b)(2) of this IEX Rule, if a reserve order is not fully executed on entry, it will be posted to the Order Book and effectively treated as two discrete orders: one displayed quantity based on the replenishment options set forth in paragraph (b)(2)(A) of this IEX Rule ("displayed portion"), and one non-displayed quantity for all other remaining, unexecuted shares ("non-displayed portion"). For the purposes of pricing reserve orders on the Order Book, displayed portions are treated as displayed orders and non-displayed portions are treated as non-displayed orders. As described in IEX Rule 11.190(h), it is possible for the non-displayed portion of a reserve order to rest at a different price than the displayed portion of the reserve order, since the non-displayed portion is subject to non-displayed price sliding while the displayed portion is subject to display-price sliding.

For example, NBBO is $10.01 x $10.02, and IEX does not have any orders resting at the NBBO.

IEX receives a non-routable, reserve DAY buy order for 1000 shares with a limit of $10.02 and a User instructed display quantity of 50 shares. After testing the Order Book at $10.02 and receiving no execution, the order is split into the displayed portion, a displayed DAY buy order for 50 shares with a limit of $10.02, and the non-displayed portion, a non-displayed DAY buy order for 950 shares with a limit of $10.02. The displayed portion, subject to display-price sliding, is booked and ranked on the Order Book displayed at a price equal to one (1) MPV below the current NBO, which is $10.01. The non-displayed portion, subject to non-displayed price sliding, is booked and ranked on the Order Book non-displayed at a price equal to the NBO, which is $10.02.

D-Limit reserve orders function like any other reserve order, except they can only trade during the Regular Market Session, and if a D-Limit reserve order has been subject to an automatic price adjustment pursuant to paragraphs (b)(7)(C) and (D) of this IEX Rule, both the displayed and non-displayed portions of the D-Limit reserve order will continue to be ranked and displayed (in the case of the displayed portion) at the adjusted price. The adjusted price functions as an effective limit price for both the displayed and non-displayed portions of the D-Limit reserve order if one or both portions of the D-Limit reserve order are subsequently price adjusted pursuant to the Price Sliding provisions of paragraph (h) of this IEX Rule.

.02 Priority of Non-Display Portions of Reserve Orders.

When initially posting to the Order Book, the non-displayed portion of a reserve order will be prioritized behind any pre-existing non-displayed interest at the price at which it is posted as a result of its having a newer timestamp. This holds true even if any such interest is re-priced as a consequence of the displayed portion of that reserve order being posted to the Order Book (i.e. having tightened the spread).

.03 Minimum Quantity Orders.

Composite. When taking liquidity, minimum quantity size for a MQTY marked Composite is satisfied by one or more orders on the IEX Book, provided the amount traded in aggregate will at least equal the order's effective minimum quantity. For a resting MQTY marked Composite, if the specified minimum quantity of shares is not satisfied by a given contra side active order, the order will surrender its priority position only for the duration of processing said active order against the Order Book.

For example, NBBO is $10.01 x $10.02. IEX PBBO is $10.01 x $10.03.

IEX receives three non-routable, non-displayed DAY sell orders: the first order, ORDER#1, for 200 shares with a limit of $10.02 is booked and ranked at the offer; the second order, ORDER#2, for 400 shares with a limit of $10.02, joins the offer at IEX and is ranked behind ORDER#1; the third order, ORDER#3, for 500 shares with a limit of $10.02, joins the offer at IEX and is ranked behind ORDER#2.

Next, IEX receives a non-routable, non-displayed DAY buy MQTY for 7,500 shares marked Composite with a limit price of $10.02 and minimum quantity size of 1,000 shares, ORDER#4. Since the aggregate size of all three sell orders exceeds the minimum quantity size of ORDER#4, three discrete executions representing a cumulative 1,100 shares occur in one single atomic action, i.e. a single book processing action, in which ORDER#4 removes the resting sell interest. The first execution is for 200 shares at $10.02, which fully fills the oldest resting sell limit order on the offer, ORDER#1. The second execution is for 400 shares at $10.02, and fully fills the next oldest resting sell limit order on the offer, ORDER#2. The third execution is for 500 shares at $10.02, and fully fills the youngest resting sell limit order on the offer, ORDER#3. As a result of this event, ORDER#4 is decremented to a quantity of 6,400 shares from the original 7,500 shares and booked at its limit price, $10.02.

MinExec with Cancel Remaining. When taking liquidity, minimum quantity size for a MQTY marked MinExec with Cancel Remaining must be satisfied by each order on the IEX Book that will execute against the MQTY. If the active MQTY reaches a resting order that

would trade with it, but such order does not satisfy its minimum quantity size, the MQTY will post to the IEX Book or be cancelled back to the User as per the order's TIF instructions.

For example NBBO is $10.01 x $10.02.

IEX receives ORDER#1, a DAY midpoint peg buy MQTY for 900 shares marked MinExec with Cancel Remaining with a limit price of $10.05 and minimum quantity size of 500 shares. ORDER#1 is booked and ranked at the Midpoint Price, $10.015.

IEX receives a DAY midpoint peg sell order for 200 shares with a limit price of $9.99, ORDER#2, which is booked at the prevailing Midpoint Price of $10.015.

IEX receives another DAY midpoint peg sell order for 600 shares with a limit price of $10.00, ORDER#3. Order #3 will execute 600 shares against Order #1 because it meets the minimum quantity requirement of Order #1. The remaining 300 shares of Order #1 will cancel back to the User.

MinExec with AON Remaining. The only variation in behavior between MinExec with Cancel Remaining and AON Remaining in the example above is that ORDER#1's 300 remaining shares would remain on the Order Book and be treated as having an effective minimum quantity of 300 shares.

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(14) Retail Liquidity Provider Order. A Midpoint Peg order that may not be a MQTY, as defined in paragraph (11) above, and is only eligible to execute against Retail orders through the execution process described in Rule 11.232(e).

(15) Retail Order. An order submitted by a Retail Member Organization (as defined in Rule 11.232) and designated with a "Retail order" modifier. A Retail order must be an agency order, or riskless principal order that satisfies the criteria of FINRA Rule 5320.03. A Retail order must reflect trading interest of a natural person with no change made to the terms of the underlying order of the natural person with respect to price (except in the case of a market order that is changed to a marketable limit order) or side of market and that does not originate from a trading algorithm or any other computerized methodology (a "retail customer"). An order from a retail customer can include orders submitted on behalf of accounts that are held in a corporate legal form - such as an Individual Retirement Account, Corporation, or a Limited Liability Company - that have been established for the benefit of an individual or group of related family members, provided that the order is submitted by an individual.

(16) Corporate Discretionary Peg Order. A Discretionary Peg buy order that upon entry into the System, the price of the order is automatically adjusted by the System to be equal to the less aggressive of the Midpoint Price, the consolidated last sale price, or the order's limit price, if any. When unexecuted shares of such order are posted to the Order Book, the price of the order is automatically adjusted by the System to be equal to and ranked at the less aggressive of one (1) MPV less than the NBB, the consolidated last sale price, or the order's limit price and is automatically adjusted by the System in response to changes in the NBB and consolidated last sale price up to the order's limit price, if any (the order's "resting price"). In order to meet the limit price of active orders on the Order Book, a Corporate Discretionary Peg order will exercise the least amount of price discretion necessary from the order's resting price to its discretionary price (defined as the less aggressive of the Midpoint Price, consolidated last sale price, or the order's limit price, if any, or as set forth in IEX Rule 11.190(h)(2)(B)), except during periods of quote instability as defined in paragraph (g)(1) or (g)(2) below, as selected by the User, when a Corporate Discretionary Peg order is only eligible to trade at its resting price. When exercising price discretion, a Corporate Discretionary Peg order maintains time priority at its resting price and is prioritized behind any non-displayed interest at the discretionary price for the duration of that book processing action. If multiple Corporate Discretionary Peg orders are exercising price discretion during the

same book processing action, they maintain their relative time priority at the discretionary price. A Corporate Discretionary Peg order:

(A) Must be a pegged order.

(B) May have any TIF described in paragraph (c) of this IEX Rule and as described in IEX Rule 11.190(a)(3).

(C) Is not eligible for routing pursuant to IEX Rule 11.230(b) and (c)(2).

(D) May not be an ISO, as defined in paragraph (12) below.

(E) May be submitted with a limit price or without a limit price (an "unpriced pegged order").

(F) Is eligible to trade only during the Regular Market Session and after at least one consolidated last sale eligible trade in the security has occurred on the current day. As provided in IEX Rule 11.190(a)(3)(E)(iii), any pegged order marked with a TIF of DAY that is submitted to the System before the opening of the Regular Market Session will be queued by the System until the start of the Regular Market Session; any pegged order which is marked with a TIF other than DAY will be rejected when submitted to the System during the Pre-Market Session. Any pegged order submitted into the System after the closing of the Regular Market Session will be rejected.

(G) May be a MQTY, as defined in paragraph (11) below.

(H) Is not eligible to display. Pegged orders are always non-displayed.

(I) May be an odd lot, round lot, or mixed lot.

(J) Is eligible to be invited by the System to Recheck the Order Book to trade against eligible resting contra-side interest as described in IEX Rule 11.230(a)(4)(D).

(K) Is eligible to exercise price discretion to its discretionary price, except during periods of quote instability, as specified in paragraph (g) below. If the System determines the NBB for a particular security to be an unstable quote in accordance with paragraph (g), it will restrict Corporate Discretionary Peg orders in that security from exercising price discretion to trade against interest at or above the NBB. If the User selected the quote instability determination set forth in paragraph (g)(1) below, the System will restrict the Corporate Discretionary Peg order from exercising such price discretion if the current NBB is the same as the NBB upon which the determination was based. If the User selected the quote instability determination set forth in paragraph (g)(2) below, the System will restrict the Corporate Discretionary Peg order from exercising such price discretion even if the current NBB is different than the price upon which the determination was based.

(17) Market Maker Peg Order. A limit order that, upon entry or at the beginning of the Regular Market Session, as applicable, the entered bid or offer is automatically priced by the System at the Market Maker Peg Designated Percentage (as defined in IEX Rule 11.190(b)(17)(A)) away from the then current NBB or NBO, as applicable, or if there is no NBB or NBO, at the Market Maker Peg Designated Percentage away from the last reported sale from the responsible single plan processor in order to comply with the quotation requirements for Market Makers set forth in Rule 11.151(a). For example, if the NBB is $10 and the Market Maker Peg Designated Percentage for the security is 8%, the displayed price of a Market Marker Peg Order to buy would be $9.20. Users may submit Market Maker Peg orders to the Exchange starting at the beginning of the Pre-Market Session, but the order will not be executable or automatically priced until the beginning of the Regular Market Session, and will expire at the end of the Regular Market Session. Upon reaching the Market Maker Peg Defined Limit (as defined in IEX Rule 11.190(b)(17)(B)), the price of a Market Maker Peg order bid or offer will be adjusted by the

System to the Market Maker Peg Designated Percentage away from the then current NBB or NBO, or, if there is no NBB or NBO, the order will, by default, be the Market Maker Peg Designated Percentage away from the last reported sale from the responsible single plan processor. In the foregoing example, if the Market Maker Peg Defined Limit is 9.5% and the NBB increased to $10.17, such that the displayed price of the Market Maker Peg Order would be more than 9.5% away, the Order will be repriced to $9.36, or 8% away from the NBB. If a Market Maker Peg order bid or offer moves a specified number of percentage points away from the Market Maker Peg Designated Percentage towards the then current NBB or NBO, which number of percentage points will be determined and published in a circular distributed to Members from time to time, the price of such bid or offer will be adjusted by the System to the Designated Percentage away from the then current NBB or NBO, as applicable. If there is no NBB or NBO, as applicable, the order will be adjusted by the System to the Market Maker Peg Designated Percentage away from the last reported sale from the responsible single plan processor. In the event that pricing a Market Maker Peg order at the Market Maker Peg Designated Percentage away from the then current NBB and NBO, or, if no NBB or NBO, to the Market Maker Peg Designated Percentage away from the last reported sale from the responsible single plan processor, would result in the order exceeding its limit price, the order will be cancelled or rejected. If, after entry, the Market Maker Peg order is priced based on the last reported sale from the single plan processor and such Market Maker Peg order is established as the NBB or NBO, the Market Maker Peg order will not be subsequently adjusted in accordance with this rule until either there is a new consolidated last sale, or a new NBB or NBO is established by a national securities exchange. Market Maker Peg orders are not eligible for routing pursuant to Rule 11.230(b) and are always displayed on the Exchange. Notwithstanding the availability of Market Maker Peg order functionality, a Market Maker remains responsible for entering, monitoring, and resubmitting, as applicable, quotations that meet the requirements of Rule 11.151. Upon entry, and each time a Market Maker Peg order is automatically adjusted by the System thereafter in accordance with this rule, all inbound communications related to the modified order instruction are subject to 350 microseconds of latency and all outbound communications related to the modified order instruction are subject to 37 microseconds of latency between the Market Maker Peg order repricing logic and the Order Book, pursuant to Rule 11.510(c)(1). In addition, a new timestamp is created for the order each time that it is automatically adjusted by the System in accordance with the proposed rule. Market Maker Peg orders may only be entered by a registered Market Maker.

(A) For purposes of this IEX rule, the "Market Maker Peg Designated Percentage" shall be eight (8) percentage points for all securities, except that between 9:30 a.m. and 9:45 a.m. and between 3:35 p.m. and the close of trading, the Market Maker Peg Designated Percentage shall be twenty (20) percentage points.

(B) For purposes of this IEX rule, the "Market Maker Peg Defined Limit" shall be nine and one half (9.5) percentage points for all securities, except that between 9:30 a.m. and 9:45 a.m. and between 3:35 p.m. and the close of trading, the Market Maker Peg Defined Limit shall be twenty-one and one half (21.5) percentage points.

(18) Market Peg Order. A pegged order that upon entry and when posting to the Order Book, the price of the order is automatically adjusted by the System to be equal to and ranked at the less aggressive of the contra-side primary quote (i.e., the NBO for buy orders and NBB for sell orders) minus (plus) an offset amount for buy (sell) orders, if any, or the order's limit price, if any. While resting on the Order Book, the order is automatically adjusted by the System in response to the changes in the NBO (NBB) for buy (sell) orders, minus (plus) an offset amount for buy (sell) orders, if any, up (down) to the order's limit price, if any. A Market Peg order:

(A) Must be a pegged order.

(B) May have any TIF described in IEX Rule 11.190(a)(3).

(C) Is not eligible for routing pursuant to IEX Rule 11.230(b) and (c)(2).

(D) May not be an ISO, as defined in paragraph (12) above.

(E) May be submitted with a limit price or without a limit price (an "unpriced pegged order").

(F) Is eligible to trade only during the Regular Market Session. As provided in IEX Rule 11.190(a)(3)(E)(iii), any pegged order marked with a TIF of DAY that is submitted to the System before the opening of the Regular Market Session will be queued by the System until the start of the Regular Market Session; any pegged order that is marked with a TIF other than DAY will be rejected when submitted to the System during the Pre-Market Session. Any pegged order submitted into the System after the closing of the Regular Market Session will be rejected.

(G) May be a MQTY, as defined in paragraph (11) above.

(H) Is not eligible to display. Pegged orders are always non-displayed.

(I) May be an odd lot, round lot, or mixed lot.

(J) Is eligible to be invited by the System to Recheck the Order Book to trade against eligible resting contra-side interest as described in IEX Rule 11.230(a)(4)(D).

(K) Will not be eligible to trade when the market is locked or crossed.

(L) May be submitted with an offset amount that is passive compared to the contra-side primary quote. If the offset amount would result in the price of a Market Peg order being more aggressive than the contra-side protected quotation, the offset amount will be disregarded, so that the order is booked and ranked on the Order Book non-displayed at the contra-side protected quotation. If no offset amount is specified, the System will consider the offset amount to be zero.

(M) May include a Trade Now instruction, as defined in paragraph (21) below.

(19) Fixed Midpoint Peg Order. A pegged order that upon entry and when posting to the Order Book, the price of the order is automatically adjusted by the System to be equal to and ranked at the less aggressive of the Midpoint Price or the order's limit price, if any. However, an incoming fixed midpoint peg order will be canceled by the System if it is received when there is no NBB or NBO, or the NBBO is crossed. The price of a fixed midpoint peg order will not thereafter be repriced based on changes to the NBBO. However, a resting fixed midpoint peg order will be canceled back to the User if any of the following conditions are met:

- The fixed midpoint peg order to buy (sell) is entered either without a limit price, or with a limit price that is equal to or above (below) the Midpoint Price and is ranked at the Midpoint Price; thereafter, the NBBO changes so that the Midpoint Price changes;
- The fixed midpoint peg order to buy (sell) is entered at a limit price that is equal to or below (above) the Midpoint Price and is ranked at its limit price; thereafter, the NBBO changes so that the Midpoint Price is lower (higher) than the limit price of the fixed midpoint peg order;
- The fixed midpoint peg order to buy (sell) is entered either without a limit price, or with a limit price that is equal to or above (below) the Midpoint Price and is ranked at the Midpoint Price; thereafter the NBBO becomes crossed, such that the Midpoint Price is considered indeterminable as set forth in IEX Rule

11.190(h)(3)(D)(i). However, if the crossing price (NBO for buys/NBB for sells) is equal to the fixed midpoint peg's resting price, the order will not be canceled, but it will be ineligible to trade.

A fixed midpoint peg order:

(A) Must be a pegged order.

(B) May have any TIF described in paragraph (c) of this IEX Rule and as described in IEX Rule 11.190(a)(3).

(C) Is not eligible for routing pursuant to IEX Rule 11.230(b) and (c)(2).

(D) May not be an ISO, as defined in paragraph (12) below.

(E) May be submitted with a limit price or without a limit price (an "unpriced pegged order").

(F) Is eligible to trade only during the Regular Market Session. As provided in IEX Rule 11.190(a)(3)(E)(iii), any pegged order marked with a TIF of DAY that is submitted to the System before the opening of the Regular Market Session will be queued by the System until the start of the Regular Market Session; any pegged order that is marked with a TIF other than DAY will be rejected when submitted to the System during the Pre-Market Session. Any pegged order submitted into the System after the closing of the Regular Market Session will be rejected.

(G) May not be a MQTY, as defined in paragraph (11) below.

(H) Is not eligible to display. Pegged orders are always non-displayed.

(I) May be an odd lot, round lot, or mixed lot.

(J) Is eligible to be invited by the System to Recheck the Order Book to trade against eligible resting contra-side interest as described in IEX Rule 11.230(a)(4)(D).

(K) May include a Trade Now instruction, as defined in paragraph (21) below.

(20) Post Only Order. A displayed, non-routable order that will not remove liquidity from the IEX Order Book, other than as described below.

(A) A Post Only order will remove contra-side liquidity from the IEX Order Book if the order is an order to buy or sell a security priced below $1.00.

(B) A Post Only order will remove contra-side liquidity from the IEX Order Book if the value of such execution when removing liquidity equals or exceeds the value of such execution if the order instead posted to the IEX Order 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 IEX Order Book and subsequently provided liquidity, the Exchange will use the highest possible rebate paid and highest possible fee charged for such executions on the Exchange.

(C) If not designated by the User to cancel, any untraded quantity of a Post Only order will be subject to display-price sliding as set forth in IEX Rule 11.190(h)(1).

(D) Post Only orders must be a round or mixed lot sized order.

(E) Post Only orders must have a TIF of DAY, GTX, SYS, or GTT.

(F) Post Only orders may not be an ISO, as defined in paragraph (12) above.

(21) Trade Now. An instruction on an order resting on the IEX Order Book that, when locked by an incoming Post Only order that does not remove liquidity pursuant to paragraph (20) of this Rule, causes such order to be converted to an executable order that removes liquidity against such incoming order.

(c) Time-in-Force.

Orders must have one of the following time-in-force terms.

(1) Immediate-or-Cancel ("IOC"). Orders entered into the System marked IOC are executed on the Exchange or routed to an away venue, in whole or in part, as soon as such order is received, and the portion not so executed is canceled. Orders marked IOC are never posted to the Order Book and considered by definition to be non-displayable orders.

(2) Fill or Kill ("FOK"). Orders entered into the System marked FOK are immediately executed on the Exchange for their full quantity or otherwise canceled. Orders marked FOK are never posted to the Order Book and considered by definition to be non-displayable orders. Routable orders marked FOK are rejected.

(3) Day ("DAY"). Orders entered into the System marked DAY may queue during the Pre-Market Session. When queued, orders will participate in the Opening Process before becoming available for the Regular Market Session. Orders marked DAY are only available for trading or routing during the Regular Market Session and expire at the end of the Regular Market Session.

(4) Good 'til Extended Day ("GTX"). Orders entered into the System marked GTX may queue during the Pre-Market Session. When queued, orders will participate in the Opening Process before becoming available for the Regular Market Session. Orders marked GTX are available for trading or routing during both the Regular Market Session and Post-Market Session, and expire at the end of the Post-Market Session.

(5) System Session ("SYS"). Orders entered into the System marked SYS may trade or route during System Hours and expire at the end of the Post-Market Session.

(6) Good 'til Time ("GTT"). Orders entered into the System marked GTT may trade or route during System Hours and expire at the earlier of the User specified expire time or the end of the Post-Market Session.

(d) Cancel and Cancel/Replace ("Order Amendment") Messages.

A User may, by appropriate entry in the System, cancel or replace an existing order entered by the User, subject to the following limitations.

(1) Orders may only be replaced if the order has a time-in-force term other than IOC or FOK and if the order has not yet been fully executed. Market orders may not be replaced.

(2) If an order has been routed to an away trading center, the order will be placed in a "Pending" state until the routing process is completed. Executions that are completed when the order is in the "Pending" state will be processed normally.

(3) Supported Fields. Only the limit price, the order quantity, and the minimum quantity size of the order may be changed by a Replace Message and are considered supported fields. Unpriced pegged orders may have a limit price added to the order by a Replace Message, however the limit price may never be removed from an order. If a User desires to change any other terms of an existing order the existing order must be canceled and a new order must be entered.

(4) Invalid Fields. Symbol, side, execution instruction, order type, and TIF are considered invalid fields. If a User attempts modify an invalid field by submitting a Replace Message, the order amendment will be rejected by the Exchange. If a User desires to modify an invalid field on an order, the existing order must be canceled and a new order must be entered.

(5) Unsupported Fields. All fields not listed in paragraphs (3) and (4) above are considered unsupported fields. If a User desires to modify an unsupported field, the existing order must be canceled and a new order must be entered.

(6) If an order amendment contains an invalid field, defined in paragraph (4) above, alone or in conjunction with a supported field, defined in paragraph (3) above, the Exchange will reject the amendment. If an order amendment contains an unsupported field alone, defined in paragraph (5) above, the Exchange will reject the amendment. If an order amendment contains an unsupported field and a supported field, the Exchange will amend the supported field and ignore the unsupported field. The Exchange will periodically update its FIX Specification to specify supported fields, invalid fields, and unsupported fields.

(7) Cancel and Cancel/Replace messages will be processed in the order in which they are received by the System.

(8) Notwithstanding anything to the contrary in these IEX Rules, no cancellation or replacement of an order will be effective until such message has been received and processed by the System.

(e) Anti-Internalization Group Identifier ("AIQ") Functionality.

Any active order that is part of the same AIQ group will be prevented from executing against a resting opposite side order that is part of the same AIQ group. The AIQ modifier on the order with the newer timestamp will control the interaction between the two orders in an AIQ group. Determination of "newer" and "older" is based upon each order's timestamp, as specified in IEX Rule 11.220(a)(1)(C).

(1) Definitions.

(A) The term AIQ identifier means a unique User-supplied identifier included on an order message designating the order as subject to anti-internalization.

(B) The term AIQ group means orders that are designated with the same AIQ identifier and originating from the same market participant identifier ("MPID"), Exchange User, or Member Affiliates, as specified by the User.

(i) For purposes of subparagraph (e)(1)(B) of this Rule 11.190, the term "Member Affiliates" shall mean Members that are affiliated with each other pursuant to Rule 12b-2 under the Act.

(C) The term AIQ modifier means the User-designated modifier that determines the interaction between two orders within the same AIQ group that would otherwise execute against each other. The AIQ modifiers are specified in subparagraph (e)(2) of this IEX Rule 11.190.

(2) AIQ Modifiers.

(A) Cancel Oldest ("CO"). If the newer order is marked or designated with the CO AIQ modifier, then the older order will be canceled back to the originating User. In accordance with User instructions, the newer order will be cancelled back to the originating User or remain on or post to the Order Book.

(B) Cancel Newest ("CN"). If the newer order is marked or designated with the CN AIQ modifier, then the newer order will be cancelled back to the originating User. The older order will remain on the Order Book.

(C) Cancel Both ("CB"). If the newer order is marked or designated with the CB AIQ modifier, then the entire size of both orders will be cancelled back to the originating User.

(D) Cancel Smallest ("CS"). If the newer order is marked or designated with the CS AIQ modifier, and if both orders are equivalent in size, then both orders will be cancelled back to the originating User. If the orders are not equivalent in size, then the smaller of the two orders will be cancelled back to the originating User and the larger order will remain on or post to the Order Book.

(E) Decrement Larger – Original Order Quantity ("DLO"). If the newer order is marked with the DLO AIQ modifier, the following describes the manner in which such orders will interact:

(i) If both orders are equivalent in size, then both orders will be cancelled back to the originating User.

(ii) If the newer order is larger than the older order, then the size of the larger order will be decremented by the size of the smaller order, and the smaller order will be cancelled back to the originating User.

(iii) If the newer order is smaller than the older order, and:

(a) the older order is also marked with the DLO AIQ modifier, then the size of the older order will be decremented by the size of the newer order, and the newer order will be canceled back to the originating User.

(b) the older order is marked or designated with any AIQ modifier other than DLO, and the User did not provide a standing instruction for the Exchange to disregard the AIQ modifier of the older order if the newer order is marked with the DLO AIQ modifier, then both orders will be canceled back to the originating User.

(c) the older order is marked or designated with any AIQ modifier other than DLO, the User provided a standing instruction for the Exchange to disregard the AIQ modifier of the older order if the newer order is marked with the DLO AIQ modifier, and:

1. the older order is not routable, then the size of the older order will be decremented by the size of the newer order, and the newer order will be cancelled back to the originating User.

2. the older order is routable, then both orders will be cancelled back to the originating User.

(3) Default Order Marking. Based on User instruction, the Exchange may mark orders with a default AIQ identifier by FIX session, i.e., order entry port. Principal and Agency/Riskless Principal orders may have different default settings.

(4) Free-to-Trade Identifier. Users may designate an order as available to match with opposite side orders within an AIQ group by marking the AIQ identifier of the order with the "free-to-trade" identifier.

(5) Compatibility with Book Recheck, as described in IEX Rule 11.230(a)(4)(D). For purposes of this IEX Rule 11.190(e), an active order, (i.e., the order that has been invited to Recheck against the Order Book) subject to anti-internalization will be treated as older or newer based on its timestamp.

(6) Compatibility with MQTY, as described in paragraph (b)(11) above. In the event an active order subject to anti-internalization is a MQTY or an order marked with a TIF of FOK, the Exchange will determine satisfaction of the size requirement without excluding any resting orders from the same User or MPID that would otherwise be canceled under anti-internalization. This may result in total executed shares being less than the minimum quantity size value in an amount equal to the shares prevented from executing resulting from anti-internalization.

(7) If a User includes an AIQ identifier on an order, but not an AIQ modifier, the Exchange will designate such order with the CO AIQ modifier.

(8) Routable orders designated with a DLO AIQ modifier will be rejected.

• • • Supplementary Material • • •

.01 Best Execution

IEX notes that use of the AIQ functionality does not relieve or otherwise modify the duty of best execution owed to orders received from customers. As such, market participants using the AIQ modifiers will need to take appropriate steps to ensure customer orders that do not execute because they were subject to anti-internalization ultimately receive the same execution price (or better) than they would have originally obtained if execution of the order was not inhibited by anti-internalization.

.02 Firm Quote Obligations

Market Makers and other Users must not use the AIQ functionality to evade the firm quotation obligation, as specified in IEX Rule 11.151(b).

.03 Just and Equitable Principles of Trade

The AIQ functionality must be used in a manner consistent with just and equitable principles of trade.

(f) Order Price Collars and Constraints

(1) Order Collar. Except for orders that are eligible for the Cross Book pursuant to Rule 11.231 during the Opening Process for non-IEX-listed securities or the Auction Book pursuant to Rule 11.350(a)(1) during the auction process for IEX-listed securities, the Exchange Order Collar prevents any incoming order or order resting on the Order Book, including those marked ISO, from executing at a price outside the Order Collar price range, i.e. prevents buy orders from trading at prices above the collar and prevents sell orders from trading at prices below the collar. The Order Collar price range is calculated using the numerical guidelines for clearly erroneous executions. Executions are permitted at prices within the Order Collar price range, inclusive of the boundaries. Any portion of a market order that would execute at a price beyond the Order Collar is canceled. Any remainder of a limit or pegged order that would execute at a price beyond the Order Collar is posted to the Order Book or canceled as per User instructions. Both displayed and non-displayed portions of limit orders or pegged orders may post on the Order Book at the Order Collar Price, but never more aggressive. Such orders may be re-priced to a compliant price within or at the Order Collar as the Order Collar price changes due to changing market conditions.

(A) The Order Collar Reference Price is equal to the most current of the following:

(i) Consolidated last sale price disseminated during the Regular Market Session on trade date.

(ii) Last trade price disseminated outside of the Regular Market Session (Form T, as communicated by the relevant SIP) on trade date which other than for the Form T designation would have been considered a valid last sale price.

(iii) If neither (i) or (ii) are available, prior day's Official Closing Price from the listing exchange, adjusted to account for corporate actions, news events, etc.

(B) In the absence of an Order Collar Reference Price, the Exchange will either prevent trading in a security (by rejecting orders for the security) or suspend the Order Collar function, in the interest of maintaining a fair and orderly market in the impacted security.

(C) The Exchange calculates the Order Collar price range for a security by applying the Numerical Guideline for the appropriate market session and reference price (see table below) to the Order Collar Reference Price, as defined in paragraph (A) above. The result is added to the Order Collar Reference Price to determine the Order Collar Price for buy orders, while the result is subtracted from the Order Collar Reference Price to determine the Order Collar Price for sell orders. The appropriate Order Collar Price is assigned to all orders upon entry and enforced throughout the life of an order; the Order Collar Price is updated each time the Order Collar Reference Price is updated by the System.

(D) The Numerical Guideline used in the Order Collar Price calculation is based on the table below:

Order Collar Reference Price	Regular Market Session Numerical Guidelines	Pre-Market and Post-Market Sessions Numerical Guidelines
Greater than $0.00 up to and including $25.00	10%	20%
Greater than $25.00 up to and including $50.00	5%	10%
Greater than $50.00	3%	6%

These percentages are based upon the numerical guidelines for clearly erroneous executions under IEX Rule 11.270.

(2) Router Constraint. Except for orders that are eligible for the Cross Book pursuant to Rule 11.231 during the Opening Process for non-IEX-listed securities or the Auction Book pursuant to Rule 11.350(a)(1)(A)(ii) during the auction process for IEX-listed securities, the Exchange Router Constraint prevents any order from routing at prices more aggressive than the Router Constraint price range. The Router Constraint price range is calculated using the numerical guidelines for clearly erroneous executions. Orders are permitted to route at prices within the Router Constraint price range, inclusive of the boundary. Any portion of an order that would have executed at a price more aggressive than the Router Constraint is canceled back to the User. While resting on the Order Book, routable orders are subject to the Order Collar, as defined in IEX Rule 11.190(f)(1). Any time a routable order would route at a price beyond the Router Constraint Price, the System will instead cancel the order back to the User.

(A) The Router Constraint Reference Price is equal to the most current of the following:

(i) Consolidated last sale price disseminated during the Regular Market Session on trade date.

(ii) Last trade price disseminated outside of the Regular Market Session (Form T, as communicated by the relevant SIP) on trade date which other than for the Form T designation would have been considered a valid last sale price.

(iii) If neither (i) or (ii) are available, prior day's Official Closing Price from the listing exchange, adjusted to account for corporate actions, news events, etc.

(iv) Notwithstanding subparagraphs (i)-(iii) above, in the event a security is subject to a trading halt or trading pause, the Router Constraint Reference Price is invalid.

(B) In the absence of a valid Router Constraint Reference Price, the Exchange will reject any routable orders for the security.

(C) The Exchange calculates the Router Constraint Price for a routable order by applying the Numerical Guideline for the appropriate market session and reference price (see table below) to the Router Constraint Reference Price, as defined in paragraph (A) above. The result is added to the Router Constraint Reference Price to determine the Router Constraint Price for buy orders, while the result is subtracted from the latest Router Constraint Reference Price to determine the Router Constraint Price for sell orders. The Router Constraint Price is calculated at the start of a routing action, including a re-sweep, and remains unchanged until the order posts on the Order Book or is canceled as per User instructions.

(D) The Numerical Guideline used in the Router Constraint Price calculation is based on the table below:

Router Constraint Reference Price	Regular Market Session Numerical Guidelines	Pre-Market and Post-Market Sessions Numerical Guidelines
Greater than $0.00 up to and including $25.00	10%	20%
Greater than $25.00 up to and including $50.00	5%	10%
Greater than $50.00	3%	6%

These percentages are based upon the numerical guidelines for clearly erroneous executions under IEX Rule 11.270.

(3) Crossed Market Collar. In the event that a Protected Bid is crossing a Protected Offer, the System does not execute any portion of an active buy order at a price more than the greater of five cents ($0.05) or one half of a percent (0.5%) higher than the lowest Protected Offer, or any portion of an active sell order at a price more than the greater of five cents ($0.05) or one half of a percent (0.5%) lower than the highest Protected Bid, unless such order is marked ISO. To the extent an incoming order is eligible to execute against an order resting on the Order Book because a Protected Bid is crossing a Protected Offer, but such incoming order is eligible for routing and there is a Protected Bid or Protected Offer available at an away trading center that is better priced than the bid or offer against which the order would execute on the System, the System first seeks to route the order to such better priced quotation pursuant to IEX Rule 11.230(b). When an order posts to or is resting on the Order Book while a Protected Bid is crossing a Protected Offer, the order will price slide in accordance with the price sliding process, pursuant to IEX Rule 11.190(h).

(4) One-Sided Markets. One-Sided Markets are markets which lack either a Protected Bid or a Protected Offer.

(A) In a One-Sided Market, non-displayed interest is handled in the following manner:

(i) Non-displayed interest entering the System will first test for available displayed interest resting on the Order Book. Routable non-displayed interest may route to Protected Quotations on the opposite

side of the market. Any unexecuted non-displayed interest will be unavailable to trade once it posts on the Order Book.

(ii) Resting non-displayed interest on IEX is unavailable to trade.

(iii) When a two-sided market returns, non-displayed orders become available at their relative priority.

(B) In a One-Sided Market, displayable interest is handled in the following manner:

(i) When IEX receives displayable interest on the same side of the market as the Protected Bid or Protected Offer:

(a) Displayable interest marked IEX Only posts and displays at the most aggressive allowable price.

(b) For routable displayable orders, the System will not route to away trading centers since there are no available contra-side Protected Quotations to access.

(ii) When IEX receives displayable interest on the side of the market opposite a best Protected Quote:

(a) Displayable interest marked IEX Only is eligible to trade with interest that is present on the Exchange and will post any unexecuted shares, order instructions allowing, subject to displayed-price sliding, as per paragraph (h)(1) below.

(b) For routable orders, the System will route the order consistent with Rule 11.230(b)(2).

(5) Zero Markets. Zero Markets are markets in which neither a Protected Bid nor a Protected Offer exists.

(A) In a Zero Market, resting non-displayed interest is unavailable to trade. Non-displayed orders are not eligible to route when Zero Markets exist. When a Two-Sided Market returns, non-displayed orders become available at their relative priority. When a contra-side Protected Quotation returns, the System will route routable orders consistent with Rule 11.230(b)(2), if eligible for re-sweep.

(B) In a Zero Market, displayable interest will post and display at the most aggressive allowable price, and will not route to away trading centers since there are no available Protected Quotations to access. When a contra-side Protected Quotation returns, the system will route routable orders consistent with Rule 11.230(b)(2), if eligible for re-sweep.

(g) Quote Stability.

The Exchange utilizes two User selected alternative proprietary mathematical calculations to assess the probability of an imminent change to the current Protected NBB to a lower price or a Protected NBO to a higher price for a particular security.

For Option 1, as set forth in this subparagraph (1) of Rule 11.190(g), the Exchange utilizes real time relative quoting activity of Protected Quotations and a proprietary mathematical calculation (the "quote instability calculation") to assess the probability of an imminent change to the current Protected NBB to a lower price or Protected NBO to a

higher price for a particular security ("quote instability factor"). When the quoting activity meets predefined criteria and the quote instability factor calculated is greater than the Exchange's defined threshold ("quote instability threshold"), the System treats the quote as not stable ("quote instability" or a "crumbling quote"). During all other times, the quote is considered stable ("quote stability"). The System independently assesses the stability of the Protected NBB and Protected NBO for each security. References in paragraph (g)(1) of this Rule to "Protected Quotations", "Protected NBB", "Protected NBO" and "Protected NBBO" herein include quotations from the following exchanges: XNYS, ARCX, XNGS, XBOS, BATS, BATY, EDGX, EDGA.

For Option 2, as set forth in this subparagraph (2) of Rule 11.190(g), the Exchange utilizes real time relative quoting activity of Protected Quotations from eleven exchanges (ARCX, BATY, BATS, EDGA, EDGX, EPRL, MEMX, XBOS, XNGS, XNYS, XPHL) referred to as "Signal Exchanges" and nine proprietary mathematical calculations ("the Quote Instability Rules") which each independently assess the probability of an imminent change to the current Protected NBB to a lower price or Protected NBO to a higher price for a particular security. When the quoting activity meets one or more Quote Instability Rule's predefined criteria and that Quote Instability Rule's current activation value pursuant to subparagraph (2) of this IEX Rule 11.190(g) ("Activation Value") is greater than the Exchange's defined threshold ("Activation Threshold") for that Quote Instability Rule, the System treats the quote as not stable ("quote instability" or a "crumbling quote"). For each Quote Instability Rule, the Activation Value is initialized at 0.5 at the start of the Regular Session and updated during regular market hours as described in subparagraph (2) of this IEX Rule 11.190(g). During all other times, the quote is considered stable ("quote stability").

(1) Option 1 Crumbling Quote. When the System determines that either the Protected NBB or the Protected NBO in a particular security is unstable, the determination remains in effect at that price level for two (2) milliseconds, unless a new determination is made before the end of the two (2) millisecond period. Only one determination may be in effect at any given time for a particular security. A new determination may be made after at least 200 microseconds has elapsed since a preceding determination, or a price change on either side of the Protected NBBO occurs, whichever is first. If a new determination is made, the original determination is no longer in effect. A new determination can be at either the Protected NBB or the Protected NBO and at the same or different price level as the original determination. Quote instability or a crumbling quote is determined by the System when:

(A) Pursuant to the quote instability calculation, the quote instability factor is greater than the defined quote instability threshold.

(i) Quote Instability Factor. The Exchange's proprietary quote instability calculation used to determine the current quote instability factor is defined by the following formula that utilizes the quote stability coefficients and quote stability variables defined below: :
$1/ (1 + e ^ -(C_0 + C_1 * N + C_2 * F + C_3 * NC + C_4 * FC + C_5 * EPos + C_6 * ENeg + C_7 * EPosPrev + C_8 * ENegPrev + C_9 * Delta))$

(a) Quote Stability Coefficients. The Exchange utilizes the values below for the quote stability coefficients.

(1) $C_0 = -1.7561$

(2) $C_1 = -0.7335$

(3) C_2 = -0.0047

(4) C_3 = -0.3567

(5) C_4 = 0.2407

(6) C_5 = -0.0891

(7) C_6 = 0.4360

(8) C_7 = 0.0405

(9) C_8 = -0.0447

(10) C_9 = 0.8769

(b) Quote Stability Variables. The Exchange utilizes the quote stability variables defined below to calculate the current quote instability factor.

(1) N = the number of Protected Quotations on the near side of the market, i.e. Protected NBB for buy orders and Protected NBO for sell orders.

(2) F = the number of Protected Quotations on the far side of the market, i.e. Protected NBO for buy orders and Protected NBB for sell orders.

(3) NC = the number of Protected Quotations on the near side of the market minus the maximum number of Protected Quotations on the near side at any point since one (1) millisecond ago or the most recent PBBO change on the near side, whichever happened more recently.

(4) FC = the number of Protected Quotations on the far side of the market minus the minimum number of Protected Quotations on the far side at any point since one (1) millisecond ago or the most recent PBBO change on the far side, whichever happened more recently.

(5) EPos = a Boolean indicator that equals 1 if the most recent quotation update was a quotation of a protected market joining the near side of the market at the same price.

(6) ENeg = a Boolean indicator that equals 1 if the most recent quotation update was a quotation of a protected market moving away from the near side of market that was previously at the same price.

(7) EPosPrev = a Boolean indicator that equals 1 if the second most recent quotation update was a quotation of a protected market joining the near side of the market at the same price AND the second most recent quotation update occurred since one (1) millisecond ago or the most recent PBBO change on the near side, whichever happened more recently.

(8) ENegPrev = a Boolean indicator that equals 1 if the second most recent quotation update was a quotation of a protected market moving away from the near side of market that was previously at the same price AND the second most recent quotation update occurred since one (1) millisecond ago or the most recent PBBO change on the near side, whichever happened more recently.

(9) Delta = the number of these three (3) venues that moved away from the near side of the market on the same side of the market and were at the same price at any point since one (1) millisecond ago or the most recent PBBO change on the near side, whichever happened more recently: XNGS, EDGX, BATS.

(ii) Quote Instability Threshold. The Exchange utilizes a quote instability threshold of 0.19 for securities whose current spread is less than or equal to $0.01; 0.27 for securities for which the current spread (i.e., the Protected Best Offer minus Protected Best Bid) is greater than $0.01 and less than or equal to $0.02; 0.28 for securities for which the current spread is greater than $0.02 and less than or equal to $0.03; and 0.30 for securities for which the current spread is greater than $0.03.

(2) Option 2 Crumbling Quote. When the System determines that either the Protected NBB or the Protected NBO in a particular security is unstable, the determination remains in effect at that price level for two (2) milliseconds (a "Quote Instability Determination"). Quote Instability Determinations are made separately for the Protected NBB and Protected NBO, so it is possible for zero, one or both of the Protected NBB and Protected NBO to be subject to a quote instability determination concurrently. A new Quote Instability Determination may be made after at least 250 microseconds has elapsed since a preceding Quote Instability Determination on the same side of the market in a particular security (i.e., Protected NBB or Protected NBO). If a new Quote Instability Determination is made, the Quote Instability Determination will be extended and in effect until two (2) milliseconds after the new Quote Instability Determination. Quote instability is determined by the System when:

(A) The conditions set forth in one or more of the Quote Instability Rules are met and that Quote Instability Rule's current Activation Value is greater than its Activation Threshold.

(B) Quote Stability Variables. The Exchange uses the quote stability variables defined below to calculate whether the conditions set forth in each Quote Instability Rule set forth in subparagraph (2)(C) of this IEX Rule 11.190(g) are met.

(i) "Signal Best Bid" means the highest Protected Bid of the Signal Exchanges.

(ii) "Signal Exchange's Best Bid Size" means the total shares (measured in round lot multiples) of a Signal Exchange displayed at the Signal Exchange's Protected Bid.

(iii) "Aggregate Best Bid Size" means the aggregate total shares (measured in round lot multiples) of the Signal Exchanges displayed at the Signal Best Bid.

(iv) "Bids" means the number of Signal Exchanges for which the highest Protected Bid is equal to the Signal Best Bid.

(v) "Signal Best Offer" means the lowest Protected Offer of the Signal Exchanges.

(vi) "Signal Exchange's Best Offer Size" means the total shares (measured in round lot multiples) of a Signal Exchange displayed at the Signal Exchange's Protected Offer.

(vii) "Update" means any change to either the price or size of a Signal Exchange's Protected Bid or Offer, including a change to the quote condition of a Signal Exchange's Protected Bid or Protected Offer

(viii) "Aggregate Best Offer Size" means the aggregate total shares (measured in round lot multiples) of the Signal Exchanges displayed at the Signal Best Offer.

(ix) "Offers" means the number of Signal Exchanges for which the lowest Protected Offer is equal to the Signal Best Offer.

(x) "Delta Bids" means the number of these three (3) exchanges (BATS, EDGX, and XNGS) that had a Protected Bid equal to the Signal Best Bid within the preceding one (1) millisecond (or within the time period since the start time of the current Signal Best Bid if shorter), but for which the exchange's Protected Bid is no longer equal to the Signal Best Bid.

(xi) "Delta Offers" means the number of these three (3) exchanges (BATS, EDGX, and XNGS) that had a Protected Offer equal to the Signal Best Offer within the preceding one (1) millisecond (or within the time period since the start time of the current Signal Best Offer if shorter), but for which the exchange's Protected Offer is no longer equal to the Signal Best Offer.

(xii) "Bid Pressure" means the number of Updates in the preceding two (2) millisecond period (or within the time period since the start time of the current Signal Best Bid if shorter) in which one or more of the following four events occurred at one or more of the Signal Exchanges:

(a) The Signal Exchange's Protected Bid decreased, and its prior value was greater than or equal to the Signal Best Bid minus the Signal Spread;

(b) The Signal Exchange's Protected Offer decreased, and its current value is less than or equal to the Signal Best Offer plus the Signal Spread;

(c) The Signal Exchange's Best Bid Size decreased in size without a change to the price of the Signal Exchange's Protected Bid, which is greater than or equal to the Signal Best Bid minus the Signal Spread; or

(d) The Signal Exchange's Best Offer Size increased in size without a change to the price of the Signal Exchange's Protected Offer, which is less than or equal to the Signal Best Offer plus the Signal Spread.

(xiii) "Offer Pressure" means the number of Updates in the preceding two (2) millisecond period (or within the time period since the start time of the current Signal Best Offer if shorter) in which one or more of the following four events occurred at any of the Signal Exchanges:

(a) The Signal Exchange's Protected Offer increased, and its prior value was less than or equal to the Signal Best Offer plus the Signal Spread;

(b) The Signal Exchange's Protected Bid increased, and its current value is greater than or equal to the Signal Best Bid minus the Signal Spread;

(c) The Signal Exchange's Best Offer Size decreased in size without a change to the price of the Signal Exchange's Protected Offer, which is less than or equal to the Signal Best Offer plus the Signal Spread; or

(d) The Signal Exchange's Best Bid Size increased in size without any change to the price of the Signal Exchange's Protected Bid, which is greater than or equal to the Signal Best Bid minus the Signal Spread.

(xiv) "Signal Spread" means the Signal Best Offer minus the Signal Best Bid.

(xv) "Signal Spread Bin Value" means the Signal Spread, rounded down to a full cent and restricted to a value between $0.00 and $0.04 so that values greater than $0.04 are assigned a Signal Spread Bin Value of $0.04 and values at or below $0.00 are assigned a Signal Spread Bin Value of $0.00.

(xvi) "Lookback Average Signal Spread Bin Value" means the average of the Signal Spread Bin Value over the past twenty Updates.

(xvii) "Previous Signal Best Bid" means the Signal Best Bid as of the last Update.

(xviii) "Previous Aggregate Best Bid Size" means the aggregate total shares displayed among Signal Exchanges at the Previous Signal Best Bid as of the last Update.

(xix) "Previous Signal Best Offer" means the Signal Best Offer as of the last Update.

(xx) "Previous Aggregate Best Offer Size" means the aggregate total shares displayed among Signal Exchanges at the Previous Signal Best Offer as of the last Update.

(C) Quote Instability Rules. The four (4) categories of rules designed to predict whether the Protected NBB (NBO) is unstable are set forth below. All rules are applicable to Option 2. A determination that the Protected NBB for a particular security is unstable does not impact the System's ability to determine that the Protected NBO for that same security is also unstable, and vice versa.

(i) Disappearing bids (or offers) rules:

(a) Rule DB1 (DO1) assesses whether Delta Bids (Offers) is greater than (1) one. The rule's Activation Threshold is 0.30.
(b) Rule DB2 (DO2) assesses whether Delta Bids (Offers) is greater than (1) one and the product of Signal Best Bid (Offer) and Aggregate Best Bid (Offer) Size is less than $60,000. The rule's Activation Threshold is 0.30.
(c) Rule DB3 (DO3) assesses whether Delta Bids (Offers) is greater than or equal to (1) one and Bids (Offers) is equal to (1) one. The rule's Activation Threshold is 0.30.
(d) Rule DB4 (DO4) assesses whether Delta Bids (Offers) is greater than or equal to (1) one, Bids (Offers) is equal to (1) one, and the product of Signal Best Bid (Offer) and Aggregate Best Bid (Offer) Size is less than $60,000. The rule's Activation Threshold is 0.30.

(ii) Recent changes in quote size rules:

(a) Rule SB1 (SO1) assesses whether Bids (Offers) is less than or equal to (1) one, Bid (Offer) Pressure is greater than or equal to Offer (Bid) Pressure, Aggregate Best Offer (Bid) Size is greater than Aggregate Best Bid (Offer) Size, and Bid (Offer) Pressure is greater than (2) two. The rule's Activation Threshold is 0.30.
(b) Rule SB2 (SO2) assesses whether Bids (Offers) is less than or equal to (1) one, Bid (Offer) Pressure is greater than or equal to Offer (Bid) Pressure, Aggregate Best Offer (Bid) Size is greater than Aggregate Best Bid (Offer) Size, Bid (Offer) Pressure is greater than (1) one, and Signal Spread Bin Value is less than Lookback Average Signal Spread Bin Value. The rule's Activation Threshold is 0.30.

(iii) Locked or crossed market rules:

(a) Rule LB (LO) assesses whether either of the following conditions are met: (A) Signal Best Offer (Bid) is less than (greater than) Previous Signal Best Offer (Bid) and Signal Best Bid is greater than or equal to Signal Best Offer; or (B) Aggregate Best Offer (Bid) Size is greater than Previous Aggregate Best Offer (Bid) Size, Aggregate Best Offer (Bid) Size is greater than Aggregate Best Bid (Offer) Size, and Signal Best Bid is greater than or equal to Signal Best Offer. The rule's Activation Threshold is 0.

(iv) Quotation changes rules:

(a) Rule FB1 (FO1) assesses whether Signal Best Bid (Offer) is greater than Previous Signal Best Bid (Offer). The rule's Activation Threshold is 0.50.
(b) Rule FB2 (FO2) assesses whether Signal Best Bid (Offer) is less than Previous Signal Best Bid (Offer). The rule's Activation Threshold is 0.50.

(D) Activation Value.

(i) Whenever the conditions set forth in a Quote Instability Rule are met, the Exchange's proprietary quote instability calculation determines its new Activation Value by multiplying its current Activation Value by the decay factor. The Exchange utilizes an Activation Value of 0.5 at the start of the Regular Market Session and a constant decay factor of 0.94. If the new Activation Value is above the Activation Threshold for the applicable Quote Instability Rule, the System will generate a Quote Instability Determination in accordance with subparagraph (2)(A) of this IEX Rule 11.190(g).

(a) However, notwithstanding the foregoing, if the conditions set forth in a Quote Instability Rule as described in subparagraph (i) above are met at a time that is 2 milliseconds or less since such conditions were met for the same Quote Instability Rule, and the PBB or PBO (as applicable) is unchanged, the System will use the prior Activation Value to determine whether to generate a Quote Instability Determination and will not modify the Activation Value by the decay factor.

(ii) Irrespective of whether or not a Quote Instability Determination was generated pursuant to subparagraph (i) above, the Activation Value for each Quote Instability Rule will also be modified during the Regular Market Session after the conditions set forth in a Quote Instability Rule were met, if within one second immediately thereafter, the next price change to the PBB or PBO (as applicable) is to a less aggressive price, in which case, a new Activation Value for that Quote Instability Rule will be calculated pursuant to the following formula: (1 –decay factor) + previous Activation Value.

(3) The Exchange reserves the right to modify the proprietary mathematical calculations used to assess the probability of an imminent change to the current Protected NBB to a lower price or a Protected NBO to a higher price for a particular security, subject to a filing of a proposed rule change with the SEC.

(h) Price Sliding.

The System will process orders pursuant to the "price sliding process," which includes the following:

(1) Display-Price Sliding.

(A) An order eligible for display by the Exchange that, at the time of entry, would create a violation of Rule 610(d) of Regulation NMS by locking or crossing a Protected Quotation of an external market will be ranked and displayed by the System at one (1) MPV below the current NBO (for bids) or one (1) MPV above the current NBB (for offers) ("display-price sliding").

(B) An order subject to display-price sliding will retain its limit price irrespective of the price at which such order is ranked and displayed. In the event the NBBO changes such that an order subject to display-price sliding would no longer lock or cross the Protected Quotation of an external market, the order will receive a new timestamp, and will be displayed at the most aggressive permissible price. Such orders may be re-priced once or multiple times, depending on changing market conditions and the order's limit price.

(C) The following orders are subject to display-price sliding:

(i) IEX Only (non-routable) orders are always subject to display-price sliding, as applicable.

(ii) The displayed portion of a reserve order is always subject to the display-price sliding process when being refreshed from the non-displayed portion, as applicable.

(iii) Resting routable orders, including any portion of a routable order returning to the Exchange after routing, are subject to the display-price sliding process, as applicable, except in the case where the order, through the Outbound Router, has immediately prior to posting, satisfied all Regulation NMS Protected Quotations at prices better than, and prices equal to, the price at which the System intends to display such orders.

(2) Non-Displayed Price Sliding. A non-displayed limit order posting to the Order Book which has a limit price more aggressive than the NBO (NBB) for bids (offers) is booked and ranked on the Order Book non-displayed at the contra-side protected quotation (i.e. the NBO for buy orders and NBB for sell orders), unless the Exchange's Best Bid (for offers) or Best Offer (for bids) is equal to the current NBB (for offers) or current NBO (for bids), in which case the order is booked and ranked on the Order Book non-displayed one (1) MPV below the current NBO (for bids) or one (1) MPV above the current NBB (for offers) ("non-displayed price sliding"). To reflect changes to the NBBO, the order is automatically re-priced by the System in response to changes in the NBBO to be equal to the less aggressive of the order's limit price or the contra-side protected quotation, unless the Exchange's Best Bid (for offers) or Best Offer (for bids) is equal to the current NBB (for offers) or current NBO (for bids), in which case the order is automatically repriced to the less aggressive of the order's limit price or one (1) MPV below the current NBO (for bids) or one (1) MPV above the current NBB (for offers). Notwithstanding the foregoing, if a contra-side displayed odd lot order is booked and ranked on the Order Book at a price greater than or equal to the NBB (for bids) and less than or equal to the NBO (for offers):

(A) Any incoming non-displayed order or non-displayed order resting on the Order Book (except for Discretionary Peg or Corporate Discretionary Peg orders) that would otherwise be executable against the contra-side displayed odd lot order, but for the non-displayed order's specific conditions, will be booked and ranked by the System at one (1) MPV less aggressive than the price of the contra-side displayed odd lot order.

(B) Any resting Discretionary Peg or Corporate Discretionary Peg order that would otherwise be executable against the contra-side displayed odd lot order, but for the Discretionary Peg or Corporate Discretionary Peg order's specific conditions, will be booked and ranked by the System in the manner set forth in Rule 11.190(b)(10) or Rule 11.190(b)(16), respectively, but the discretionary price of the order will be the less aggressive of the limit price, if any, or one (1) MPV less aggressive than the price of the contra-side displayed odd lot order.

(3) Locked and Crossed Markets.

(A) In the event that the market becomes locked, the System will observe the following practices for displayed orders:

(i) Resting orders that are displayed at the price of the locking quotation ("locking price") as defined in IEX Rule 11.310, and were originally displayed in compliance with rules and regulations of the Exchange and the Act will maintain their displayed price and quantity.

(ii) Displayable orders posting to the Order Book on the same side as an order which is locked and was originally displayed, as per paragraph (i) above, are not permitted to join the locking price. Such orders will be displayed and ranked by the System pursuant to the Exchange's display-price sliding practices described in paragraph (1) above.

(B) In the event that the market becomes crossed, the System will observe the following practices for displayed orders:

(i) Resting orders that are displayed at a price which has become crossed and were originally displayed in compliance with rules and regulations of the Exchange and the Act will maintain their displayed price and quantity.

(ii) Displayable buy (sell) orders being posted to the Order Book during a crossed market will be displayed and ranked by the System one (1) MPV below (above) the lowest Protected Offer (highest Protected Bid).

(C) In the event that the market becomes locked, the System will observe the following practices for non-displayed orders:

(i) In the event the market becomes locked, the Exchange shall consider the Midpoint Price to be equal to the locking price.

(ii) In the event that the market becomes locked, primary peg orders and Discretionary Peg orders resting on or posting to the Order Book are priced one (1) MPV less aggressive than the locking price. If a Discretionary Peg order is submitted to the Exchange by a User while the market is locked, the order initially checks for available contra-side interest on the Order Book at the Midpoint Price (the locking price) before posting.

(iii) In the event that the market becomes locked, Offset and Market Peg orders are not eligible to trade and an Offset or Market Peg order that would otherwise be eligible to trade against an active order will surrender its precedence on the Order Book for the duration of the System processing the current active order, pursuant to IEX Rule 11.220(a)(5). Offset or Market Peg orders resting on or posting to the Order Book while the market is locked are priced at the less aggressive of the locking price plus or minus an offset amount or the order's limit price, if any. However, an Offset or Market Peg with an offset amount that would otherwise result in the order being priced more aggressive than the locking price will be priced at the locking price pursuant to non-displayed price sliding.

(D) In the event that the market becomes crossed, the System will observe the following practices for non-displayed orders:

(i) In the event the market becomes crossed, the Exchange shall consider the Midpoint Price indeterminable. Midpoint peg orders, Discretionary Peg orders, Corporate Discretionary Peg orders and non-displayed orders, will be priced by the System to be no more aggressive than the crossing price, the lowest Protected Offer for buy orders and the highest Protected Bid for sell orders. Fixed midpoint peg orders will be canceled back to the User unless the crossing price is equal to the fixed midpoint peg order's resting price.

(ii) In the event that the market becomes crossed, primary peg orders and Discretionary Peg orders resting on or posting to the Order Book are priced one (1) MPV away from the crossing price, the lowest Protected Offer for buy orders and the highest Protected Bid for sell orders, before posting. If a Discretionary Peg order is submitted to the Exchange by a User while the market is crossed, the order initially checks for matches on the Order Book at the crossing price, the lowest Protected Offer for buy orders and the highest Protected Bid for sell orders, before posting. If a primary peg order is submitted to the Exchange by a User while the market is crossed, the order posts to the Order Book priced one (1) MPV less aggressive than the crossing price, the lowest Protected Offer for buy orders and the highest Protected Bid for sell orders.

(iii) In the event that the market becomes crossed, Offset, Market, and Fixed Midpoint Peg orders are not eligible to trade and an Offset, Market, or Fixed Midpoint Peg order that would otherwise be eligible to trade against an active order will surrender its precedence on the Order Book for the duration of the System processing the current active order, pursuant to IEX Rule 11.220(a)(5). Offset or Market Peg orders resting on or posting to the Order Book while the market is crossed are priced at the least aggressive of (1) the crossing price plus or minus an offset amount, (2) the crossing price (the lowest Protected Offer for buy orders and the highest Protected Bid for sell orders), or (3) the order's limit price, if any.

(4) Short Sale Price Sliding. The re-pricing described in this sub-paragraph constitutes "short sale price sliding" for short sale orders.

(A) For purposes of this IEX Rule, the terms "covered security", "listing market", and "national best bid" shall have the same meaning as in Rule 201 of Regulation SHO. The term Short Sale Period is defined in IEX Rule 11.290(d). The term Short Sale Price Test is defined in IEX Rule 11.290(b).

(B) During a Short Sale Period, any active short sale order not marked short exempt is prevented by the System from executing at or below the current NBB.

(C) A short sale order not marked short exempt that, at the time of entry, could not be executed or displayed in compliance with Rule 201 of Regulation SHO will be repriced and ranked by the System on the Order Book at a price equal to one MPV above the current NBB (the "Permitted Price"). To reflect declines in the NBB, the System will continue to re-price a resting short sale order not marked short exempt to be equal to the higher of the order's limit price or the Permitted Price. In the event the NBB changes such that the price of a non-displayed Order subject to Rule 201 of Regulation SHO would lock or cross the NBB, the order will receive a new timestamp, and will be re-priced by the System at the Permitted Price.

(D) During a Short Sale Period, the System may execute a displayed short sale order not marked short exempt (including the displayed portion of a short sale reserve order not marked short exempt) below the Permitted Display Price if, at the time of initial display of such short sale order, the order was displayed at a price above the then current NBB. This provision does not apply to shares refreshing from the non-displayed portion to the displayed portion of a short sale reserve order not marked short exempt; such displayed portion is subject to short sale price sliding.

(E) During a Short Sale Period, orders marked "short exempt" will not be subject to short sale price sliding. The System will accept orders marked "short exempt" at any time when the System is open for order entry, regardless of whether the Short Sale Price Test has been triggered.

(5) Limit Up-Limit Down Price Constraint. For purposes of this IEX Rule the terms "Plan" and "Limit Up-Limit Down Plan" mean the Plan to Address Extraordinary Market Volatility Pursuant to Rule 608 of Regulation NMS. The term "Lower Price Band" and "Upper Price Band" shall be defined as per the Plan. An order that would post to the Order Book with a limit price more aggressive than the applicable Upper Price Band (for buy orders) or Lower Price Band (for sell orders) will be posted, and displayed if applicable, at the Price Band. An order subject to Limit Up-Limit Down Price Constraint will retain its limit price irrespective of the prices at which such order is ranked. In the event the Band Price changes such that an order subject to Limit Up-Limit Down Price Constraint would no longer be more aggressive than the Band Price, the order will be re-priced to the most aggressive allowable price and receive a new timestamp.

• • • Supplementary Material • • •

.01 Price Sliding and Time Priority.

Due to the way in which IEX processes actions to resting orders, specifically when re-pricing, orders' relative time priority is generally preserved. IEX assigns time priority, specifically a resting order's time priority, as the time when it is posted to the book at a given price, and each time the System re-prices an order, it necessarily receives a new time priority (i.e. timestamp).

For example, two midpoint peg buy orders with aggressive limit prices are posted to the Order Book at 10.105, the Midpoint Price of the NBBO of 10.10 x 10.11.

ORDER#1 is a buy with a limit price of 10.12 and is the older order.

ORDER#2 is a buy with a limit price of 10.15 and is the younger order.

When the NBBO changes to 10.10 x 10.12, IEX will re-price those 10.105 buys to 10.11, re-pricing ORDER#1 first and ORDER#2 second, preserving their relative time priority.

In the case where those same orders have different limit prices, it is possible for the relative time priority of orders to change if the market moves cause one to be re-priced but not the other.

Suppose in the above example, the NBBO now moves to 10.14 x 10.16; ORDER#2 will be resting at the Midpoint Price of 10.15 and ORDER#1 will be resting at 10.12, since the Midpoint Price is currently beyond its limit price.

Scenario #1: If the market moves back down from 10.14 x 10.16 to 10.11 x 10.13, ORDER#2 will be re-priced from 10.15, to the new Midpoint Price of 10.12, where ORDER#1 is already resting. ORDER#2 will receive a new timestamp and thus will be behind (newer timestamp) ORDER#1 in time priority at 10.12. In this scenario the relative time priority of these two orders has been preserved.

Note: In Scenario #1, had ORDER#2 been the older order, then that scenario reverses the relative time priority of these two orders.

Scenario #2: If instead the market moves from 10.14 x 10.16 to 10.10 x 10.13, both orders need to be re-priced to the new Midpoint Price of 10.115. ORDER#2 will be re-priced first, as it is currently ranked at a more aggressive price of 10.15, followed by ORDER#1. While both orders will receive new timestamps, since ORDER#1 will be re-priced second, it will behind (newer timestamp) ORDER#2 at the new price of 10.115. In this scenario the relative time priority of these two orders has been reversed.

Note: In Scenario #2, had ORDER#2 been the older order, then that scenario maintains the relative time priority of these two orders.

Please note that except in the rare instance of Limit Up-Limit Down Band Prices and IEX Order Collars requiring it, IEX will otherwise never re-price a displayed order already posted on the Order Book to a less aggressive price. Displayed orders and displayed portions

of orders already posted are otherwise only ever re-priced to more aggressive prices, as allowed by the prevailing market and the limit price indicated by Users on those orders.

.02 Price Sliding of Displayed Orders Resting on the Order Book.

Orders displayed on the Exchange which were displayed at a price compliant with Regulation NMS are generally permitted to maintain their displayed price in the event an away trading center locks or crosses the price of the IEX displayed order. If such IEX displayed resting order is eligible to "re-sweep" under the Exchange's routing options, the System will route the order, in whole or in part, to any Protected Quotations that are locking or crossing the resting order's booked limit price for up to their full displayed size, if possible. Once the Protected Quotations have been cleared, any remaining shares will post at the order's limit price in accordance with IEX Rules and the Act.

When a reserve order refreshes its displayed portion, the refreshing shares are not permitted to be displayed at a price that locks or crosses the price of a protected quotation on an away market and are subject to display-price sliding pursuant to IEX Rule 11.190(h)(1).

(Amended by SR-IEX-2016-08 eff. August 9, 2016; amended by SR-IEX-2016-11 eff. August 9, 2016; amended by SR-IEX-2017-06 eff. March 10, 2017; amended by SR-IEX-2016-18 eff. March 13, 2017; amended by SR-IEX-2017-08 eff. March 29, 2017; amended by SR-IEX-2017-11 eff. July 24, 2017; amended by SR-IEX-2017-10 eff. August 4, 2017; amended by SR-IEX-2017-26 eff. August 8, 2017; amended by SR-IEX-2017-22 eff. August 25, 2017; amended by SR-IEX-2017-31 eff. September 20, 2017; amended by SR-IEX-2018-01 eff. February 2, 2018; amended by SR-IEX-2018-07 eff. April 3, 2018; amended by SR-IEX-2019-01 eff. January 28, 2019; amended by SR-IEX-2018-23 eff. March 18, 2019; amended by SR-IEX-2019-05 eff. August 9, 2019; amended by SR-IEX-2019-10 eff. September 13, 2019; amended by SR-IEX-2019-14 eff. December 13, 2019; amended by SR-IEX-2020-01 eff. January 3, 2020; amended by SR-IEX-2020-07 eff. June 15, 2020; amended by SR-IEX-2019-15 eff. August 26, 2020; amended by SR-IEX-2020-16 eff. October 5, 2020; amended by SR-IEX-2021-01 eff. January 6, 2021; amended by SR-IEX-2021-08 eff. April 23, 2021; amended by SR-IEX-2021-06 eff. July 13, 2021; amended by SR-IEX-2021-11 eff. September 14, 2021; amended by SR-IEX-2021-16 eff. November 12, 2021; amended by SR-IEX-2021-17 eff. December 14, 2021; amended by SR-IEX-2022-04 eff. April 29, 2022; amended by SR-IEX-2022-05 eff. August 8, 2022; amended by SR-IEX-2022-08 eff. October 24, 2022; amended by SR-IEX-2022-06 eff. November 1, 2022; amended by SR-IEX-2022-10 eff. January 9, 2023; amended by SR-IEX-2023-01 eff. February 9, 2023; amended by SR-IEX-2023-05 eff. April 7, 2023; amended by SR-IEX-2023-06 eff. July 19, 2023; amended by SR-IEX-2023-09 eff. September 22, 2023; amended by SR-IEX-2023-10 eff. September 27, 2023; amended by SR-IEX-2023-13 eff. November 15, 2023; amended by SR-IEX-2023-14 eff. December 22, 2023; amended by SR-IEX-2024-03 eff. January 16, 2024; amended by SR-IEX-2024-07 eff. April 12, 2024.)

Rule Series 11.200. ORDER GUIDELINES

Rule 11.210. Minimum Price Variant ("MPV")

(a) Bids, offers, orders or indications of interests in securities traded on the Exchange shall not be made in an increment smaller than:

(1) $0.01 if those bids, offers or indications of interests are priced equal to or greater than $1.00 per share; or

(2) $0.0001 if those bids, offers or indications of interests are priced less than $1.00 per share and the security is an NMS stock pursuant to Commission Rule 600(b)(55) and is trading on the Exchange; or

(3) Any other increment established by the Commission for any security which has been granted an exemption from the minimum price increments requirements of Commission Rule 612(a) or 612(b).

(Amended by SR-IEX-2023-14 eff. December 22, 2023).

Rule 11.220. Priority of Orders

(a) Determination of Rank.

(1) Orders resting in the Order Book shall be ranked and maintained based on the following priority:

(A) Price. Orders are ranked by the price at which they are resting on the Order Book ("Resting Price"). The best priced order (the highest priced resting order to buy or the lowest priced resting order to sell) shall have priority over all other orders to buy (or orders to sell) in all cases.

(B) Display. The System shall rank equally priced trading interest within the System by display. Displayed orders and displayed portions of orders will have precedence over non-displayed orders and non-displayed portions of orders at a given price.

(C) Time. The System shall rank equally priced trading interest with the same display within the System in time priority. Subject to the Execution Process described below, where orders to buy (or sell) are resting at the same price with the same display, the order clearly established as the oldest in the System at such particular price and display shall have precedence at that price and display, up to the number of shares of stock specified in the order. Orders are ranked by the time at which they are posted to the Order Book at a given price, the first to be posted at a given price being the oldest. Orders maintain their time priority once booked until one of the following occur, at which time the order will receive a new timestamp:

(i) Order is incremented by the User by means of a Cancel/Replace pursuant to IEX Rule 11.190(d).

(ii) Order is re-priced by the User by means of a Cancel/Replace pursuant to IEX Rule 11.190(d).

(iii) Minimum Quantity is amended by the User by means of a Cancel/Replace pursuant to IEX Rule 11.190(d).

(iv) Order is incremented by the System, or is returned to the Order Book by the System after routing or re-routing pursuant to IEX Rule 11.230(b)(1).

(v) The displayed portion of a reserve order is given a new timestamp when it is replenished by the System as set forth in IEX Rule 11.190(b)(2).

(vi) Order is re-priced by the System pursuant to IEX Rule 11.190(h).

(vii) Pursuant to IEX Rule 11.190(b)(10), when exercising price discretion, Discretionary Peg orders maintain time priority at their resting price, however they are prioritized behind any non-displayed interest at the discretionary price for the duration of that book processing action.

(2) Orders resting on the Order Book shall be ranked and maintained for the Opening Process based on the following priority:

(A) Price. The best priced Cross Eligible Order (the highest priced resting order to buy or the lowest priced resting order to sell) has priority over all other orders to buy (or orders to sell) in all cases. Cross Eligible Orders resting on the Continuous Book are ranked by the price at which they are resting on the Continuous Book; Cross Eligible Orders resting on the Cross Book are ranked by the limit price defined by the User, if any, except in the case of pegged orders, which are ranked by their current booked price (in each case, the order's "resting price").

(B) Display. Equally priced Cross Eligible Orders are ranked by display priority. Displayed orders and displayed portions of Cross Eligible Orders will have precedence over non-displayed orders and non-displayed portions of Cross Eligible Orders at a given price.

(C) Time. Equally priced Cross Eligible Orders with the same display priority are ranked in time priority. Where Cross Eligible Orders to buy (or sell) are ranked at the same price with the same display priority, the oldest order at such price and display shall have precedence at that price and display. Orders are ranked by the time at which they are posted to the Order Book at a given price, the first to be posted at a given price being the oldest. Cross Eligible Orders maintain their time priority once booked until one of the following occur, at which time the order will receive a new timestamp:

(i) An order on the Cross Book is incremented by the User;

(ii) An order on the Cross Book is re-priced by the User;

(iii) The Minimum Quantity instruction is removed from an order by the User, and therefore becomes a Cross Eligible Order;

(iv) A pegged order on the Cross Book is re-priced by the System in response to changes in the NBBO;

(v) Pursuant to IEX Rule 11.231(a)(1)(ii) and (iii), respectively, when exercising price discretion, primary peg and Discretionary Peg orders maintain time priority at their resting price, however they are prioritized behind any non-displayed interest at the Opening Match Price for the duration of the Opening Process; or

(vi) Any one of the events specified in IEX Rule 11.220(a)(1)(C) occurs to an order on the Continuous Book.

(3) Decrementing Order Quantity and Priority. In the event that less than the full size of an order is executed, the unexecuted size of the order shall retain priority at the same resting price in accordance with paragraph (1) above. In the event that an order is decremented by the User by means of a Cancel/Replace pursuant to IEX Rule 11.190(d) the order will not receive a new timestamp except for routable orders queued for the Opening Process in accordance with paragraph (2)(A)(ii).

(4) Price Sliding and Priority. Due to the way in which the Exchange processes re-pricing, orders' relative time priority is generally preserved. The Exchange assigns time priority, specifically a resting order's time priority,

as the time when it is posted to the Order Book at a particular price, and each time the System re-prices an order, it necessarily receives a new time priority (i.e. timestamp).

(5) Surrendering Precedence. In the event a resting order having precedence on the Order Book cannot be executed due to its specific conditions, the resting order surrenders its precedence in the Order Book only for the duration of the System processing the current active order. In the event a resting order having precedence on the Order Book cannot be executed due to the active order's specific conditions, that resting order does not surrender its precedence, and the active order stops executing for this book processing action.

(6) Order Book Action Priority.

(A) Order Book Actions are actions taken by the System on orders resting in the Order Book and include:

(i) Book Recheck invitations pursuant to IEX Rule 11.230(a)(4)(D).

(ii) Re-pricing of orders.

(iii) Refresh of displayed portions of reserve orders.

(B) Each time the System initiates a Book Action pursuant to IEX Rule 11.220(a)(5) on an order resting on the Order Book, it does so pursuant to the Order Book priority pursuant to IEX Rule 11.220(a)(1), with the timestamp of the order or the portion of the order upon which the action is taken being used to determine time priority, the display of the order or the portion of the order upon which the action is taken being used to determine display priority, and the order's Resting Price on the Order Book being used to determine price priority.

(7) Anti-Internalization. Pursuant to IEX Rule 11.190(e), Users may direct that orders entered into the System not execute against orders that are part of the same AIQ group. In such a case, as set forth in IEX Rule 11.190(e), the System will not permit such orders to execute against one another, regardless of priority ranking.

(8) Incoming Messages.

(A) New Orders, Cancel and Cancel/Replace messages received from Users, market data messages, and System component generated messages are processed by the System in strict time sequence.

(b) Dissemination. The best-ranked displayable order(s) are disseminated pursuant to IEX Rule 11.240(c)(1).

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.01 Surrendering Precedence.

Scenario #1: In the event a resting order having precedence on the Order Book cannot be executed due to its specific conditions, the resting order surrenders its precedence in the Order Book only for the duration of the System processing the current active order.

For example, NBBO is $10.01 x $10.02.

IEX receives ORDER#1, a midpoint peg buy MQTY marked MinExec with Cancel Remaining for 1,000 shares with a minimum quantity size of 400 shares. ORDER#1 is booked and ranked at the Midpoint Price, $10.015.

IEX receives ORDER#2, a second midpoint peg buy order for 500 shares, which is also booked and ranked at the Midpoint Price behind ORDER#1.

IEX receives ORDER#3, a sell limit order for 300 shares with a limit price of $10.01. ORDER#1, the resting MQTY, surrenders precedence, because it cannot execute against the active order due to its minimum quantity condition. However, ORDER#3, the active sell limit order, executes 300 shares against next ranked order to buy, ORDER#2.

Scenario #2: In the event a resting order having precedence on the Order Book cannot be executed due to the active order's specific conditions, that resting order does not surrender its precedence, and the active order stops executing for this book processing action.

For example, NBBO is $10.01 x $10.02.

Resting on the Order Book are the following orders ranked in their respective order: (1) ORDER#1, buy limit order on the bid for 2,000 shares, (2) ORDER#2, buy limit order on the bid for 1,000 shares, and (3) ORDER#3, buy limit order on the bid for 2,000 shares.

IEX receives ORDER#4, a midpoint peg sell MQTY for 5,000 shares marked MinExec with AON Remaining with a minimum quantity size of 2,000 shares. ORDER#4 executes 2,000 shares against ORDER#1, but ORDER#2 does not meet the active order's condition (2,000 share minimum quantity size), so IEX posts the remaining 3,000 shares of ORDER#4 at the Midpoint Price.

(Amended by SR-IEX-2017-11 eff. July 24, 2017; amended by SR-IEX-2019-01 eff. January 28, 2019; amended by SR-IEX-2019-14 eff. December 13, 2019; amended by SR-IEX-2020-01 eff. January 3, 2020; amended by SR-IEX-2021-01 eff. January 6, 2021; amended by SR-IEX-2021-11 eff. September 14, 2021; amended by SR-IEX-2022-04 eff. April 29, 2022).

Rule 11.230. Order Execution

Subject to the restrictions under these Exchange Rules or the Act and the rules and regulations thereunder, orders shall be matched for execution in accordance with this IEX Rule 11.230.

(a) Execution Against the IEX Order Book. For purposes of this IEX Rule 11.230 any order falling within the parameters of this paragraph shall be referred to as "executable." An order will be canceled back to the User if, based on market conditions, User instructions, applicable IEX Rules and/or the Act and the rules and regulations thereunder, such order is not executable, cannot be routed to an away trading center pursuant to IEX Rule 11.230(b)(2) below and cannot be posted to the Order Book.

(1) Compliance with Rule 201 of Regulation SHO. For any execution of a short sale order to occur on the Exchange when a short sale price test restriction is in effect, the execution price must be higher than (i.e., above) the NBB, unless the sell order was initially displayed by the System at a price above the then current NBB or is marked "short exempt" pursuant to Regulation SHO. Short sale orders are subject to the short sale price sliding process pursuant to IEX Rule 11.190(h)(4), as well as any other applicable price sliding process.

(2) Compliance with Regulation NMS and Trade-Through Protection.

(A) Regular Market Session. For any execution to occur during the Regular Market Session, the price must be equal to or better than the Protected NBBO, unless the order is marked ISO or unless the execution falls within another exception set forth in Rule 611(b) of Regulation NMS.

(B) Pre-Market Session and Post-Market Session. For any execution to occur during the Pre-Market Session or Post-Market Session, the price must be equal to or better than the highest Protected Bid or lowest Protected Offer, unless the order is marked ISO or a Protected Bid is crossing a Protected Offer.

(C) Crossed Markets. Notwithstanding sub-paragraphs (A) and (B) above, in the event that a Protected Bid is crossing a Protected Offer, whether during or outside of the Regular Market Session, unless an order is marked ISO, the Exchange will enforce the Crossed Market Collar pursuant to IEX Rule 11.190(f)(3) and the price sliding process pursuant to IEX Rule 11.190(h)(3).

(3) Compliance with Limit Up-Limit Down. For any executions to occur during the Regular Market Session, such executions must comply with the Plan, as set forth in IEX Rule 11.280(e) and the price sliding process pursuant to IEX Rule 11.190(h)(5).

(4) Execution against the IEX Order Book. An incoming non-routable order will attempt to be matched for execution against orders in the Order Book, as described below.

(A) Buy Orders. An incoming order to buy will be automatically executed to the extent that it is priced at an amount that equals or exceeds the resting price of any order to sell in the Order Book and is executable, as defined above. Such order to buy shall be executed at the price(s) of the lowest priced order(s) to sell having priority in the Order Book.

(B) Sell Orders. An incoming order to sell will be automatically executed to the extent that it is priced at an amount that equals or is less than the resting price of any other order to buy in the Order Book and is executable, as defined above. Such order to sell shall be executed at the price(s) of the highest priced order(s) to buy having priority in the Order Book.

(C) Consistent with Rule 11.190, orders are permitted to post non-displayed and rest non-displayed on the Order Book at prices that lock contra-side liquidity of the protected quotation of an away market (i.e. the NBO for buy orders and NBB for sell orders) so long as IEX does not have a protected quotation at the same price, provided, however, that the System will never display a locked market. Subject to sub-paragraph (A) or (B) above, if an incoming order would execute against contra-side resting liquidity that would otherwise lock the NBB or NBO, the orders may execute if the resting order(s)' conditions are met.

(D) Order Execution Recheck ("Book Recheck" or "Recheck"). Upon a change to the Order Book, the NBBO, or as part of the processing of inbound messages, the System may invite orders on one or both sides of its market to become active and check against the contra side (i.e. become the remover of liquidity) of the Order Book to determine if new executions can occur as a consequence of the change in the Order Book or prevailing market conditions. Orders resting on the Order Book may be eligible to trade against other orders on the Order Book that were ineligible for execution, or did not satisfy the order's conditions (i.e. minimum quantity) when they were originally booked.

(i) Resting orders are invited to Recheck according to the resting priority of each order.

(ii) To be eligible for Book Recheck, orders must be able to execute against resting contra-side liquidity. Orders invited to Recheck will be eligible to trade at their full limit price, adjusted by applicable peg instructions, market conditions and all applicable rules and regulations.

(iii) Additionally, for Primary Peg, Discretionary Peg, and Corporate Discretionary Peg orders to be eligible for Book Recheck, the System must consider the quote to be stable for the order in question pursuant to IEX Rules 11.190(b)(8), (10), and (16), respectively.

(iv) Displayed orders are not eligible for Book Recheck.

(v) No orders are eligible for Book Recheck during a crossed market.

(E) In the case of a displayed order previously subject to price sliding as defined in Rule 11.190(h), upon a change to the Order Book or the NBBO that would result in the displayed order re-pricing to a more aggressive price that would lock or cross a resting unprotected displayed odd lot order, the re-pricing order and the displayed odd lot order will execute according to the priority of each order, and the remover of liquidity will be the order with the newest timestamp.

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.01 Book Recheck.

Book Recheck invites resting orders to become active orders and recheck the Order Book for execution opportunities.

For example, NBBO is $10.01 x $10.02.

IEX receives ORDER#1, a non-routable, non-displayed buy MQTY marked Composite for 7,500 shares with a limit price of $10.02 and minimum quantity size of 5,000 shares. ORDER#1 is booked and ranked at its limit price, $10.02.

ORDER#2, a non-routable sell order for 3,000 shares joins the offer at $10.02 (3,000 does not satisfy the ORDER#1's 5,000 minimum quantity size).

ORDER#3, a second non-routable sell order for 2,000 shares joins the offer at $10.02.

Since the 5,000 cumulative shares resting on the offer satisfy the ORDER#1's 5,000 minimum quantity, ORDER#1 is invited to Recheck the Order Book. Two executions for a cumulative 5,000 shares occur: the first execution for 3,000 shares at $10.02, against ORDER#2, and the second execution for 2,000 shares at $10.02, against ORDER#3. ORDER#1 is decremented to a quantity of 2,500 shares from 7,500.

(b) Routing. The Exchange will maintain connectivity and access, pursuant to IEX Rule 11.510, to all away trading centers offering a Protected Quotation as defined by Regulation NMS Rule 600(b)(71). Upon receipt of a routable order, the System will process the order in accordance with the applicable routing options, listed in paragraph (c) below.

(1) Orders Eligible for Routing. A sell order marked "short" is not eligible to route during a Short Sale Period, but such order may post to the Order Book. If a sell order marked "short" is ineligible for routing during a Short Sale Period and such order is an IOC or a market order, then the order will be canceled. If a sell order marked "short" is ineligible for routing during a Short Sale Period and such order is not an IOC or market order, the Exchange will post the unfilled balance of the order to the Order Book, subject to the short sale price sliding process as defined in paragraph (h)(4) of IEX Rule 11.190), as well as any other applicable price sliding process. Sell orders marked long or short exempt pursuant to IEX Rule 11.290 are not subject to this paragraph.

(2) Routing Process. With respect to an order that is eligible for routing (a) when routing to away accessible Protected Quotations, the System will designate outbound orders as IOCs and will cause such orders to be routed to one or more away trading centers (as defined in IEX Rule 2.220) displaying such Protected Quotations for potential execution in compliance with Rule 611 under Regulation NMS, and (b) when routing to the Order Book, the System will designate orders to the Order Book as either IOC or FOK, depending on market

conditions, and will cause such orders to be routed to the Order Book for potential execution and compliance with Rule 611 of Regulation NMS via connectivity pursuant to Rule 11.510. After the System receives responses to orders that were routed, to the extent an order is not executed in full through the routing process, or in cases where there are no accessible Protected Quotations at the time of routing, the System will process the balance of such order as follows. Depending on parameters set by the User when the incoming order was originally entered, the System will either:

(A) Cancel the unfilled balance of the order back to the User;

(B) Post the unfilled balance of the order to the Order Book, subject to the price sliding process as defined in paragraph (h) of IEX Rule 11.190;

(C) Repeat the process described in this paragraph (b)(2) by executing against the Order Book and/or routing orders to away trading centers until the original, incoming order is executed in its entirety or it is no longer marketable. If the order is not executed in its entirety, the System will cancel back to the User (in the case of an IOC or market order) or post to the Order Book the unfilled balance of the order;

(D) Notwithstanding the foregoing, to the extent the System is unable to access a Protected Quotation at the NBBO and there are no other accessible Protected Quotations at the NBBO, the System will post the order or any remaining unexecuted shares on the Order Book, subject to the price sliding process, or cancel, as per User instruction, provided, however, that this provision will not apply to Protected Quotations published by an away trading center against which the Exchange has declared self-help pursuant to paragraph (d) below. To the extent the unfilled balance of an order has been posted to the Order Book, should the booked limit price of the order subsequently be locked or crossed by an accessible away trading center, the System shall route the order, in part or in full, to such locking or crossing away trading center as described in paragraph (c)(3) below.

(3) Priority of Routed Orders. Orders sent by the System to away trading centers do not retain time priority with respect to other orders in the System and the System shall continue to execute other orders while routed orders are at away trading centers. Once routed by the System, an order becomes subject to the rules and procedures of the destination market including, but not limited to, short-sale regulation and order cancellation. Requests from Users to cancel their orders while the order is routed away to an away trading center and remains outside the System shall be processed, subject to the applicable trading rules of such away trading center. If a routed order is subsequently returned, in whole or in part, that order, or its remainder, shall receive a new timestamp reflecting the time of its return to the System. Following the routing process described above, unless the terms of the order direct otherwise, any unfilled portion of the order originally entered into the System shall be ranked in the Order Book in accordance with the terms of such order under IEX Rule 11.220 and such order shall be eligible for execution under this IEX Rule 11.230.

(c) Routing Options. The System provides a variety of routing options. Routing options may be combined with all available order types and parameters, with the exception of order types and parameters whose terms are inconsistent with the terms of a particular routing option as described in IEX Rule 11.190. An order eligible for routing must have a TIF of DAY, SYS, GTX, GTT, or IOC. The System will consider the quotations only of accessible markets, in particular those not subject to self-help pursuant to IEX Rule 11.230(d). The term "System routing table" refers to the proprietary process for determining the specific trading venues, including the Order Book, to which the System routes orders and the order in which it routes them. The Exchange reserves the right to maintain a different System routing table for

different routing options and to modify the System routing table at any time without notice. The System routing options are:

(1) Reserved.

(2) Router. Router is a routing option under which an order is sent to the Order Book to check for available shares and then any remainder is sent to destinations on the System routing table. If shares remain unexecuted after routing, they are posted on the Order Book or canceled, as per User instruction. Once posted on the Order Book, the unexecuted portion of such an order is eligible for the re-sweep behavior described in paragraph (3), market conditions permitting.

(3) Re-sweep Behavior. Re-Sweep is a feature available to the routing options described in this IEX Rule 11.230 that allows for a resting order to route to Protected Quotations when the resting order's limit price has been locked or crossed by the Protected NBBO, IEX Rules permitting. When an order is marked with a TIF of IOC, the order will not have an opportunity to re-sweep, i.e. there is no opportunity for a "re-sweep" because orders marked with a TIF of IOC do not rest on the Order Book.

(A) Re-sweep when Order's Limit is Locked by Protected NBBO. If a resting order eligible for re-sweep has its booked limit price locked by the Protected NBO (for buy orders) or Protected NBB (for sell orders) for a minimum amount of time between 750 milliseconds and one (1) second, the System will route to the Protected Quotations at the locking NBO or NBB their full displayed size (or the remaining unexecuted shares on the order, if smaller). In the case that such resting order is a reserve order, the System will decrement first from the non-displayed portion, and then from the displayed portion. Any shares unexecuted will be returned to the Order Book, either incrementing the resting order, or re-posting the order to the Order Book, receiving a new timestamp as per Rule 11.220(a). This cycle may be repeated, the order being re-routed to away trading centers multiple times, until the order is fully executed or canceled, subject to the limit price of the order.

(B) Re-sweep when Order's Limit is Crossed by Protected NBBO. If a resting order eligible for re-sweep has its booked limit price crossed by the Protected NBO (for buy orders) or Protected NBB (for sell orders), i.e. the Protected NBO becomes lower than the limit price of a buy order, or the Protected NBB becomes higher than the limit price of a sell order, for a minimum amount of time between 750 milliseconds and one (1) second, the System will route the entire order to away trading centers as per this IEX Rule 11.230. Any shares unexecuted will be re-posted to the Order Book, receiving a new timestamp as per Rule 11.220(a). This cycle may be repeated, the order being re-routed to away trading centers multiple times, until the order is fully executed or canceled, subject to the limit price of the order.

(d) Self-Help. The Exchange shall take advantage of the self-help provisions of Regulation NMS. Pursuant to the self-help provisions, the System may execute a transaction that would constitute a trade-through of a Protected Quotation displayed on an away trading center if such away trading center is experiencing a failure, material delay, or malfunction of its systems or equipment. If an away trading center publishing a Protected Quotation repeatedly fails to respond within one second to orders sent by the System to access such away trading center's Protected Quotation, the System may disregard those Protected Quotations when routing, displaying, canceling or executing orders on the Exchange. When invoking self-help, the Exchange will:

(1) Notify the non-responding away trading center immediately after (or at the same time as) electing self-help; and

(2) Assess whether the cause of the problem lies with the System and, if so, taking immediate steps to resolve the problem instead of invoking self-help.

(e) Market Access. In addition to the IEX Rules regarding routing to away trading centers, IEX Services, as defined in IEX Rule 2.220, has, pursuant to Rule 15c3-5 under the Act, implemented certain checks designed to mitigate risks associated with providing the Exchange's Users with access to such away trading centers. Pursuant to the policies and procedures developed by IEX Services to comply with Exchange Act Rule 15c3-5, if an order or series of orders are deemed to be erroneous or duplicative, or are non-compliant with applicable pre-trade regulatory requirements (as defined in Exchange Act Rule 15c3-5), IEX Services will reject such orders prior to routing and/or seek to cancel any orders that have been routed.

(Amended by SR-IEX-2016-02 eff. July 27, 2016; amended by SR-IEX-2018-15 eff. July 10, 2018; amended by SR-IEX-2021-01 eff. January 6, 2021); amended by SR-IEX-2022-04 eff. April 29, 2022; amended by SR-IEX-2023-14 eff. December 22, 2023)).

Rule 11.231. Regular Market Session Opening Process for Non-IEX-Listed Securities

(a) Order Entry and Cancellation before the Regular Market Session Opening Process ("Opening Process"). Prior to the beginning of Regular Market Hours, Users who wish to participate in the Opening Process may enter orders designated with a TIF of DAY and limit orders designated with a TIF of GTX, which shall queue in the System and are eligible for execution in the Opening Process (the "Cross Book"); interest resting on the Order Book in the Pre-Market Session available for continuous trading (i.e., orders on the Continuous Book) are also eligible for execution in the Opening Process (collectively, "Cross Eligible Orders"). Orders with a Minimum Quantity as defined in Rule 11.190(b)(11) are not eligible for execution in the Opening Process, and therefore not Cross Eligible Orders.

(1) Orders on the Continuous Book and orders on the Cross Book (collectively, the Order Book) shall be ranked and maintained for the Opening Process pursuant to Rule 11.220(a)(2), as follows:

(i) Midpoint peg orders, as defined in IEX Rule 11.190(b)(9), on the Cross Book are ranked and eligible for execution in the Opening Process at the less aggressive of the Midpoint Price or the order's limit price, if any.

(ii) Primary peg orders, as defined in IEX Rule 11.190(b)(8), on the Cross Book are ranked and eligible for execution in the Opening Process at the less aggressive of one (1) MPV below (above) the NBB (NBO) for buy (sell) orders or the order's limit price, if any, but may exercise price discretion up (down) to the Opening Match Price, subject to the less aggressive of the NBB (NBO) or the order's limit price, if any, except during periods of quote instability, as defined in IEX Rule 11.190(g). When exercising price discretion, primary peg orders are ranked behind any non-displayed interest at the Opening Match Price for the duration of the Opening Process. If multiple primary peg orders are exercising price discretion during the Opening Process, they maintain their relative time priority at the Opening Match Price.

(iii) Discretionary Peg orders, as defined in IEX Rule 11.190(b)(10), on the Cross Book are ranked and eligible for execution in the Opening Process at the less aggressive of one (1) MPV below (above) the NBB (NBO) for buy (sell) orders or the order's limit price, if any, but may exercise price discretion up (down) to the

Opening Match Price, subject to the less aggressive of the Midpoint Price or the order's limit price, if any, except during periods of quote instability, as defined in IEX Rule 11.190(g). When exercising price discretion, Discretionary Peg orders are ranked behind any non-displayed interest at the Opening Match Price for the duration of the Opening Process. If multiple Discretionary Peg orders are exercising price discretion during the Opening Process, they maintain their relative time priority at the Opening Match Price.

(iv) Limit orders on the Cross Book are ranked and eligible for execution in the Opening Process at their limit price.

(v) Non-displayed limit orders and non-displayed portions of reserve orders on the Continuous Book are ranked and eligible for execution in the Opening Process at the less aggressive of the contra-side protected quotation (i.e. the NBO for buy orders and NBB for sell orders) or the order's limit price.

(vi) Displayed limit orders on the Continuous Book are ranked and eligible for execution in the Opening Process at their resting price.

(b) Performing the Opening Process. The Exchange will attempt to perform the Opening Process beginning at the start of Regular Market Hours, in which the Exchange matches buy and sell Cross Eligible Orders that are executable at the Opening Match Price, as described in paragraph (c) below.

(1) Execution Priority. Cross Eligible Orders will be processed in accordance with the Exchange's determination of order priority pursuant to IEX Rule 11.220(a)(2). To the extent there is executable contra side interest, market orders will be executed at the Opening Match Price according to time priority. After the execution of all market orders, the remaining Cross Eligible Orders priced more aggressively than the Opening Match Price will be executed in price – display – time priority at the Opening Match Price. All remaining Cross Eligible Orders priced equal to the Opening Match Price will execute in display – time priority at the Opening Match Price. Executions will occur until there is no remaining volume or there is an imbalance of Cross Eligible Orders (the process described above in this paragraph (b), collectively, being the "Opening Match"). All AIQ modifiers, as defined in Rule 11.190(e), will not be supported for executions in the Opening Match, but will be enforced on all unexecuted shares released to the Order Book following the Opening Match.

(2) Transition to Regular Market Session. An imbalance of Cross Eligible Orders on the buy side or sell side may result in orders that are not executed in whole or in part. Unexecuted Cross Eligible Orders to buy (sell) that are priced at or above (below) the Cross Price Constraint (but remained unexecuted due to an imbalance of Cross Eligible Orders) will price slide pursuant to IEX Rule 11.190(h) and all remaining unexecuted Cross Eligible Orders, along with any orders that were either ineligible to participate in the Opening Process or too passive to be executed in the Opening Process, will be released to the Order Book for continuous trading or canceled in accordance with the terms of the order. Routable orders that are released to the Order Book will be routed in accordance with IEX Rule 11.230(c)(3) (Re-Sweep Behavior), subject to the order's instructions.

(c) Determination of the Opening Match Price.

(1) Definitions.

(i) The term "Away Protected NBB" or "Away Protected NBO" shall mean the national best bid or offer, respectively, that is a Protected Quotation and not a quotation of the Exchange.

(ii) The term "Away Protected Bid" or "Away Protected Offer" shall mean a Protected Bid or Protected Offer, respectively, that is not a quotation of the Exchange.

(iii) The term "Cross Price Constraint" shall mean, collectively, the upper and lower threshold prices within which the Opening Match must occur, inclusive of the boundaries. During a crossed market, if the upper threshold price is below the lower threshold price when performing the Opening Process, no Opening Match will occur, orders eligible to post on the Order Book will price slide in accordance with the price sliding process pursuant to IEX Rule 11.190(h), and the security will open for trading on IEX in accordance with prevailing market session rules.

A. The upper threshold price of the Cross Price Constraint is equal to the lesser of the price of the Away Protected NBO or the upper threshold of the Order Collar price range for the Regular Market Session, calculated pursuant to Rule 11.190(f)(1)(C), except in the event that an Away Protected Bid is crossing an Away Protected Offer, the upper threshold price is equal to the greater of five cents ($0.05) or one half of a percent (0.5%) higher than the lowest Away Protected Offer.

B. The lower threshold price of the Cross Price Constraint is equal to the greater of the price of the Away Protected NBB or the lower threshold of the Order Collar price range for the Regular Market Session, calculated pursuant to Rule 11.190(f)(1)(C), except in the event that an Away Protected Bid is crossing an Away Protected Offer, the lower threshold price is equal to the greater of five cents ($0.05) or one half of a percent (0.5%) lower than the highest Away Protected Bid.

(iv) The term "Cross Tie Breaker" shall mean the price of the most current Order Collar Reference Price pursuant to IEX Rule 11.190(f), rounded to the nearest MPV or Midpoint Price calculated by the System at the start of the Opening Process, whichever is closer.

(2) The Opening Match Price in a Two-sided Market. When the Exchange performs the Opening Process for a security, if both an Away Protected Bid and Away Protected Offer exist for the subject security, the following process will be used to determine the Opening Match Price.

(i) The Opening Match shall occur at the price that maximizes the number of shares of Cross Eligible Orders to be executed;

(ii) If more than one price exists under subparagraph (i) resulting in a cross price range, the Opening Match shall occur at the price at or within such range that is not lower (higher) than the most aggressive unexecuted buy (sell) order;

(iii) If more than one price exists under subparagraph (ii), the Opening Match shall occur at the price closest or equal to the Cross Tie Breaker; and

(iv) If the Opening Match Price established by subparagraphs (i)-(iii) above is below (above) the lower (upper) threshold price of the Cross Price Constraint, the Opening Match shall occur at the lower (upper) threshold price of the Cross Price Constraint.

(3) The Opening Match Price in a One-Sided or Zero Market. When the Exchange performs the Opening Process for a security, if there is a lack of an Away Protected Bid and/or Away Protected Offer for the subject security, the following process will be used to determine the Opening Match Price.

(i) The Opening Match shall occur at the price of the Cross Tie Breaker; and

(ii) If the price that exists under subparagraph (i) is below (above) the lower (upper) threshold price of the Cross Price Constraint, the Opening Match shall occur at the lower (upper) threshold price of the Cross Price Constraint, if any.

(d) Opening Process Contingency Procedures.

(A) When a disruption occurs that prevents the execution of the Opening Process as set forth above, IEX shall apply the following Opening Process Contingency Procedures.

(i) IEX will publicly announce that no Opening Process will occur. All orders on the Order Book will be canceled, and IEX will open the security for trading without an Opening Match.

(e) If a security is subject to a halt, suspension, or pause in trading during the Pre-Market Session, the Exchange will not accept orders in the security for queuing on the Cross Book and participation in the Opening Process or otherwise. Pursuant to IEX Rule 11.271, any order submitted during a halt will be rejected by the System. Any orders resting on the Order Book at the time of a trading halt will not be canceled by the System, and will be unavailable for trading or re-sweep during the trading halt, but will be available for cancelation by the submitting User. If the halt, suspension, or pause remains in effect at the start of Regular Market Hours, the Opening Process will not occur at the normally scheduled time. Instead, once the security resumes trading, the Exchange will conduct the Opening Process with any Cross Eligible Orders that remain. Following the conclusion of the Opening Process, the Exchange will accept and execute orders as usual in accordance with prevailing market session rules.

(f) Pursuant to Rule 611(b)(3) of Regulation NMS, and section VI(D)(6) of the Plan to Implement a Tick Size Pilot Program, orders executed in the Opening Process shall constitute a single-priced opening transaction by the Exchange and may trade-through or trade-at the price of any other Trading Center's Manual or Protected Quotations.

(Amended by SR-IEX-2017-11 eff. July 24, 2017; amended by SR-IEX-2018-18 eff. August 9, 2018; amended by SR-IEX-2018-23 eff. March 18, 2019; amended by SR-IEX-2019-14 eff. December 13, 2019; amended by SR-IEX-2022-04 eff. April 29, 2022).

Rule 11.232. Retail Price Improvement Program

(a) Definitions.

(1) Retail Member Organization. A "Retail Member Organization" is an IEX Member (or a division thereof) that has been approved by the Exchange under this Rule to submit Retail orders.

(2) "Retail order" has the meaning specified in IEX Rule 11.190(b)(15) and will operate in accordance with paragraph (e) of this Rule 11.232. A Retail order must be a Discretionary Peg order or Midpoint Peg order with a Time-in-Force of IOC or FOK, and is only eligible to trade at a price between the NBB and the Midpoint Price (for bids) or between the NBO and the Midpoint Price (for offers).

(3) "Retail Liquidity Provider order" has the meaning specified in IEX Rule 11.190(b)(14).

(b) Retail Member Organization Qualifications and Application.

(1) To qualify as a Retail Member Organization, a Member must conduct a retail business or route retail orders on behalf of another broker-dealer. For purposes of this Rule, conducting a retail business shall include carrying retail customer accounts on a fully disclosed basis.

(2) To become a Retail Member Organization, a Member must submit:

(A) An application form;

(B) Supporting documentation, which may include sample marketing literature, website screenshots, other publicly disclosed materials describing the Member's retail order flow, and any other documentation and information requested by the Exchange to confirm that the RMO applicant's order flow would meet the requirements of the Retail order definition; and

(C) An attestation, in a form prescribed by the Exchange, that substantially all orders submitted as Retail orders will qualify as such under IEX Rule 11.232(a)(2).

(3) After an applicant submits the application form, supporting documentation, and attestation, the Exchange shall notify the applicant of its decision in writing.

(4) A disapproved applicant may:

(A) Request an appeal of such disapproval by the Exchange as provided in paragraph (d) below; and/or

(B) Reapply for Retail Member Organization status 90 days after the disapproval notice is issued by the Exchange.

(5) A Retail Member Organization may voluntarily withdraw from such status at any time by giving written notice to the Exchange.

(6) A Retail Member Organization must have written policies and procedures reasonably designed to assure that it will only designate orders as Retail orders if all requirements of a Retail order as specified in IEX Rule 11.190(b)(15) are met. Such written policies and procedures must require the Member to: (i) exercise due diligence before entering a Retail order to assure that entry as a Retail order is in compliance with the requirements of IEX Rule 11.190(b)(15), and (ii) monitor whether orders entered as Retail orders meet the applicable requirements. If a Retail Member Organization does not itself conduct a retail business but routes Retail orders on behalf of another broker-dealer, the Retail Member Organization's supervisory procedures must be reasonably designed to assure that the orders it receives from such other broker-dealer that are designated as Retail orders meet the definition of a Retail order. The Retail Member Organization must: (i) obtain an annual written representation, in a form acceptable to the Exchange, from each other broker-dealer that sends the Retail Member Organization orders to be designated as Retail orders that entry of such orders as Retail orders will be in compliance with the requirements of this Rule; and (ii) monitor whether Retail order flow routed on behalf of such other broker-dealers meets the applicable requirements.

(c) Failure of Retail Member Organization to Abide by Retail Order Requirements.

(1) If a Retail Member Organization designates orders submitted to the Exchange as Retail orders and the Exchange determines, in its sole discretion, that such orders fail to meet any of the requirements set forth in paragraph (a) of this Rule, the Exchange may disqualify a Member from its status as a Retail Member Organization.

(2) Disqualification Determinations. The Exchange shall determine if and when a Member is disqualified from its status as a Retail Member Organization. When disqualification determinations are made, the Exchange shall provide a written disqualification notice to the Member

(3) Appeal and/or Reapplication for Retail Member Organization Status. A Retail Member Organization that is disqualified under this paragraph (c) may: (A) appeal such disqualification as provided in paragraph (d) below; and/or (B) reapply for Retail Member Organization status 90 days after the date of the disqualification notice from the Exchange.

(d) Appeal of Disapproval or Disqualification.

(1) If a Member disputes the Exchange's decision to disapprove it under paragraph (b) above or disqualify it under paragraph (c) above, the Member ("Appellant") may request, within five business days after notice of the decision is issued by the Exchange, that the Retail Member Organization Panel ("RMO Panel") review the decision to determine if it was correct.

(2) The RMO Panel shall consist of the Exchange's Chief Regulatory Officer ("CRO"), or a designee of the CRO, and two officers of the Exchange designated by the Exchange's Chief Operating Officer ("COO").

(3) The RMO Panel shall review the facts and render a decision within the time frame prescribed by the Exchange.

(4) The RMO Panel may overturn or modify an action taken by the Exchange under this Rule. A determination by the RMO Panel shall constitute final action by the Exchange.

(e) Priority and Order Execution.

(1) Retail Liquidity Provider orders in the same security shall be ranked and allocated according to price then time of entry into the System.

(2) Retail orders shall seek to execute upon entry into the System at the Midpoint Price, except that a Retail order to buy (sell) may also seek to execute against sell (buy) orders priced greater (less) than or equal to the NBB (NBO) and less (greater) than or equal to the Midpoint Price.

(3) Retail orders shall execute against orders resting on the Order Book in price/time priority in accordance with IEX Rule 11.230 subject to the following:

(A) A Retail order to buy (sell) shall execute upon entry against sell (buy) orders resting on the Order Book in the following order:

(i) displayed sell (buy) orders at the NBO (NBB) during a locked or crossed market;

(ii) displayed sell (buy) odd lot orders priced to trade between the NBB (NBO) and the MidPoint Price;

(iii) non-displayed sell (buy) orders priced to trade between the NBB (NBO) and the Midpoint Price; and

(iv) Retail Liquidity Provider orders and nondisplayed orders priced to trade at the Midpoint Price.

Examples of priority and order allocation are as follows:

NBBO for security ABC is $10.00 — $10.10. It is not a period of quote instability as defined in Rule 11.190(g).

User 1 enters an unpriced Retail Liquidity Provider order to buy ABC for 500 shares

User 2 then enters an unpriced Discretionary Peg order to buy 500 shares of ABC

User 3 then enters a Midpoint Peg order to buy 500 shares of ABC at a limit price of $10.04

Example 1: Retail Member Organization enters a Retail order to sell 800 shares of ABC. The order will first execute against the full size of User 1's buy order, and then execute against 300 shares of User 2's buy order, at which point the entire size of the Retail order to sell 800 shares is depleted. In this example the Retail order does not execute against User 3's buy order because the order is not priced to execute at or above $10.05, the current Midpoint Price.

Example 2: Assume the same facts above, except that User 2's unpriced Discretionary Peg order to buy ABC is for 100 shares. The incoming Retail order to sell 800 shares executes first against User 1's buy order for 500 shares at $10.05, then against User 2's buy order for 100 shares at $10.05. The Retail order still does not execute against User 3's buy order because the order is not priced to execute at or above $10.05, the current Midpoint Price. The Retail order is filled for 600 shares and the balance of 200 shares is cancelled back to the Retail Member Organization.

Example 3: Assume the same facts as Example 1, except that User 3 enters a nondisplayed limit order to buy 300 shares of ABC at a limit price of $10.05. The incoming Retail order to sell 800 shares executes first against User 1's order for 500 shares at $10.05, then against User 3's order for 300 shares (because it has priority over User 2's Discretionary Peg order pursuant to IEX Rule 11.220(a)(1)(C)(vii)), completing the Retail order's 800 share quantity. User 2's buy order is not executed because it is ranked behind Users 1 and 3.

Example 4: Assume the same facts as Example 1, except that User 3 enters an unpriced Midpoint Peg order to buy 300 shares before User 1 enters an unpriced Retail Liquidity Provider order to buy 300 shares. The incoming Retail order to sell 800 shares executes first against User 3's order to buy 300 shares at $10.05 (because it has priority over User 1's Retail Liquidity Provider order pursuant to IEX Rule 11.232(e)(3)(A)(iii)), then against User 1's buy order for 300 shares at $10.05, and then against User 2's buy order for the remaining 200 shares at $10.05, completing the Retail order's 800 share quantity.

Example 5: Assume the same facts as Example 1, except that User 3 enters a displayed odd lot limit order to buy 50 shares of ABC at a limit price of $10.06. The incoming Retail order to sell 800 shares executes first against User

3's order for 50 shares at $10.06, then against User 1's buy order for 500 shares at $10.05, and then against User 2's buy order for the remaining 250 shares at $10.05, completing the Retail order's 800 share quantity.

Example 6: Assume the same facts as Example 1, except that User 3 enters a nondisplayed limit order to buy 300 shares of ABC at $10.06. The incoming Retail order to sell 800 shares executes first against User 3's order for 300 shares at $10.06, and then against User 1's buy order for 500 shares at $10.05, completing the Retail order's 800 share quantity. User 2's buy order is not executed because it is ranked behind Users 1 and 3.

(f) Retail Liquidity Identifier. An identifier shall be disseminated through the Exchange's TOPS and DEEP data products (specified in IEX Rule 11.330) and through the appropriate securities information processor, when Retail Liquidity Provider order interest ("RLP Interest") aggregated to form at least one round lot for a particular security is available in the System ("Retail Liquidity Identifier"), provided that the RLP Interest is resting at the Midpoint Price and priced at least $0.001 better than the NBB or NBO. The Retail Liquidity Identifier shall reflect the symbol for the particular security and the side (buy, sell, or buy and sell) of the RLP Interest, but shall not include the price or size of the RLP Interest.

(Adopted by SR-IEX-2019-05 eff. August 9, 2019; amended by SR-IEX-2021-03 eff. March 1, 2021; amended by SR-IEX-2021-06 eff. July 13, 2021; amended by SR-IEX-2022-04 eff. April 29, 2022).

Rule 11.240. Trade Execution, Reporting, and Dissemination of Quotations

(a) Executions occurring as a result of orders matched against the Order Book shall be reported by the Exchange to an appropriate consolidated transaction reporting system to the extent required by the Act and the rules and regulations thereunder. Executions occurring as a result of orders routed away from the System shall be reported to an appropriate consolidated transaction reporting system by the relevant reporting away trading center. The Exchange shall promptly notify Users of all executions of their orders as soon as such executions take place.

(b) The Exchange shall identify all trades executed pursuant to an exception or exemption from Rule 611 of Regulation NMS in accordance with specifications approved by the operating committee of the relevant national market system plan for an NMS stock. If a trade is executed pursuant to both the inter-market sweep order exception of Rule 611(b)(5) of Regulation NMS and the self-help exception of Rule 611(b)(1) of Regulation NMS, such trade shall be identified as executed pursuant to the inter-market sweep order exception.

(c) Display of Automated Quotations. The System will be operated as an "automated market center" within the meaning of Regulation NMS, and in furtherance thereof, will display "automated quotations" within the meaning of Regulation NMS at all times except in the event that a systems malfunction renders the System incapable of displaying automated quotations.

(1) Dissemination of Quotation Information. The aggregate of the best-ranked order(s) to buy and the best-ranked order(s) to sell, pursuant to IEX Rule 11.220, that are displayable in the Order Book shall be collected and made available to quotation vendors for dissemination pursuant to the requirements of Rule 602 of Regulation NMS.

(2) Pursuant to Rule 602 of Regulation NMS, the Exchange will transmit for display to the appropriate securities information processor for each security:

(A) the highest price to buy wherein the aggregate size of all displayed buy interest in the System greater than or equal to that price is one round lot or greater;

(B) the aggregate size of all displayed buy interest in the System greater than or equal to the price in subparagraph (A), rounded down to the nearest round lot;

(C) the lowest price to sell wherein the aggregate size of all displayed sell interest in the System less than or equal to that price is one round lot or greater; and

(D) the aggregate size of all displayed sell interest in the System less than or equal to the price in subparagraph (C) above, rounded down to the nearest round lot.

(d) Dissemination of Last Sale Information. Executions occurring as a result of orders matched against the Order Book, pursuant to IEX Rule 11.230, shall be collected and made available to last sale vendors for dissemination. The Exchange will maintain connectivity and access, pursuant to IEX Rule 11.510, to the SIPs for dissemination of last sale (i.e. execution) information.

(Amended by SR-IEX-2021-01 eff. January 6, 2021; amended by SR-IEX-2022-04 eff. April 29, 2022).

Rule 11.250. Clearance and Settlement; Anonymity

(a) Each User must either (1) be a member of a registered clearing agency that uses a continuous net settlement ("CNS") system, or (2) clear transactions executed on the Exchange through another User that is a member of such a registered clearing agency. The Exchange will maintain connectivity and access, pursuant to IEX Rule 11.510, to the Universal Trade Capture ("UTC") of the National Securities Clearing Corporation ("NSCC"), a subsidiary of the Depository Trust & Clearing Corporation ("DTCC"), for transmission of executed transactions. If a Member clears transactions through another Member that is a member of a registered clearing agency ("clearing member"), such clearing member shall affirm to the Exchange in writing, through letter of authorization, letter of guarantee or other agreement acceptable to the Exchange, its agreement to assume responsibility for clearing and settling any and all trades executed by the Member designating it as its clearing firm. The rules of any such clearing agency shall govern with respect to the clearance and settlement of any transactions executed by the Member on the Exchange.

(1) Solely at the discretion of the Exchange, a Member may clear transactions executed on the Exchange through a non-Member that is a Member of a foreign clearing agency with which a registered clearing agency has an agreement of mutual recognition, and is permitted to clear transactions of the Member in the registered clearing agency's CNS system.

(b) Each transaction executed within the System is executed on a locked-in basis and shall be automatically processed for clearance and settlement.

(c) The transaction reports produced by the System will indicate the details of transactions executed in the System but shall not reveal contra party identities. Except as set forth in paragraph (d) below, transactions executed in the System will also be cleared and settled anonymously.

(d) Except as required by any registered clearing agency, the Exchange will reveal the identity of a Member or Member's clearing firm in the following circumstances:

(1) For regulatory purposes or to comply with an order of a court or arbitrator; or

(2) When a registered clearing agency ceases to act for a Member or the Member's clearing firm, and determines not to guarantee the settlement of the Member's trades.

Rule 11.260. LIMITATION OF LIABILITY

(a) NEITHER THE EXCHANGE, IEX SERVICES, NOR ANY OF ITS AGENTS, EMPLOYEES, CONTRACTORS, OFFICERS, DIRECTORS, SHAREHOLDERS, COMMITTEE MEMBERS OR AFFILIATES ("EXCHANGE RELATED PERSONS") SHALL BE LIABLE TO ANY USER, OR SUCCESSORS, REPRESENTATIVES OR CUSTOMERS THEREOF, OR ANY PERSONS ASSOCIATED THEREWITH, FOR ANY LOSS, DAMAGES, CLAIM OR EXPENSE:

(1) GROWING OUT OF THE USE OR ENJOYMENT OF ANY FACILITY OF THE EXCHANGE, INCLUDING, WITHOUT LIMITATION, THE SYSTEM; OR

(2) ARISING FROM OR OCCASIONED BY ANY INACCURACY, ERROR OR DELAY IN, OR OMISSION OF OR FROM THE COLLECTION, CALCULATION, COMPILATION, MAINTENANCE, REPORTING OR DISSEMINATION OF ANY INFORMATION DERIVED FROM THE SYSTEM OR ANY OTHER FACILITY OF THE EXCHANGE, RESULTING EITHER FROM ANY ACT OR OMISSION BY THE EXCHANGE OR ANY EXCHANGE RELATED PERSON, OR FROM ANY ACT CONDITION OR CAUSE BEYOND THE REASONABLE CONTROL OF THE EXCHANGE OR ANY EXCHANGE RELATED PERSON, INCLUDING, BUT NOT LIMITED TO, FLOOD, EXTRAORDINARY WEATHER CONDITIONS, EARTHQUAKE OR OTHER ACTS OF GOD, FIRE, WAR, TERRORISM, INSURRECTION, RIOT, LABOR DISPUTE, ACCIDENT, ACTION OF GOVERNMENT, COMMUNICATIONS OR POWER FAILURE, OR EQUIPMENT OR SOFTWARE MALFUNCTION.

(b) EACH MEMBER EXPRESSLY AGREES, IN CONSIDERATION OF THE ISSUANCE OF ITS MEMBERSHIP IN THE EXCHANGE, TO RELEASE AND DISCHARGE THE EXCHANGE, IEX SERVICES, AND ALL EXCHANGE OR IEX SERVICES RELATED PERSONS OF AND FROM ALL CLAIMS AND DAMAGES ARISING FROM THEIR ACCEPTANCE AND USE OF THE FACILITIES OF THE EXCHANGE (INCLUDING, WITHOUT LIMITATION, THE SYSTEM).

(c) NEITHER THE EXCHANGE, IEX SERVICES, NOR ANY EXCHANGE OR IEX SERVICES RELATED PERSON MAKES ANY EXPRESS OR IMPLIED WARRANTIES OR CONDITIONS TO USERS AS TO RESULTS THAT ANY PERSON OR PARTY MAY OBTAIN FROM THE SYSTEM FOR TRADING OR FOR ANY OTHER PURPOSE, AND ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, TITLE, AND NON-INFRINGEMENT WITH RESPECT TO THE SYSTEM ARE HEREBY DISCLAIMED.

(d) NOTWITHSTANDING PARAGRAPH (a) ABOVE, AND SUBJECT TO THE EXPRESS LIMITS SET FORTH BELOW, THE EXCHANGE MAY COMPENSATE MEMBERS FOR LOSSES DIRECTLY RESULTING FROM THE SYSTEMS' ACTUAL FAILURE TO CORRECTLY PROCESS AN ORDER, MESSAGE, OR OTHER DATA, PROVIDED THE EXCHANGE HAS ACKNOWLEGED RECEIPT OF THE ORDER, MESSAGE OR DATA.

(1) AS TO ANY ONE OR MORE CLAIMS MADE BY A SINGLE MEMBER UNDER THIS IEX RULE ON A SINGLE TRADING DAY, THE EXCHANGE SHALL NOT BE LIABLE IN EXCESS OF THE LARGER OF $100,000, OR THE AMOUNT OF ANY RECOVERY OBTAINED BY THE EXCHANGE UNDER ANY APPLICABLE INSURANCE MAINTAINED BY THE EXCHANGE.

(2) AS TO THE AGGREGATE OF ALL CLAIMS MADE BY ALL MEMBERS UNDER THIS IEX RULE ON A SINGLE TRADING DAY, THE EXCHANGE SHALL NOT BE LIABLE IN EXCESS OF THE LARGER OF $250,000 OR THE

AMOUNT OF ANY RECOVERY OBTAINED BY THE EXCHANGE UNDER ANY APPLICABLE INSURANCE MAINTAINED BY THE EXCHANGE.

(3) AS TO THE AGGREGATE OF ALL CLAIMS MADE BY ALL MEMBERS UNDER THIS IEX RULE DURING A SINGLE CALENDAR MONTH, THE EXCHANGE SHALL NOT BE LIABLE IN EXCESS OF THE LARGER OF $500,000, OR THE AMOUNT OF ANY RECOVERY OBTAINED BY THE EXCHANGE UNDER ANY APPLICABLE INSURANCE MAINTAINED BY THE EXCHANGE.

(e) IN THE EVENT THAT ALL OF THE CLAIMS MADE UNDER THIS IEX RULE CANNOT BE FULLY SATISFIED BECAUSE IN THE AGGREGATE THEY EXCEED THE APPLICABLE MAXIMUM LIMITATIONS PROVIDED IN THIS IEX RULE 11.260, THEN THE MAXIMUM PERMITTED AMOUNT WILL BE PROPORTIONALLY ALLOCATED AMONG ALL SUCH CLAIMS ARISING ON A SINGLE TRADING DAY OR DURING A SINGLE CALENDAR MONTH, AS APPLICABLE, BASED ON THE PROPORTION THAT EACH SUCH CLAIM BEARS TO THE SUM OF ALL SUCH CLAIMS.

(f) ALL CLAIMS FOR COMPENSATION PURSUANT TO THIS IEX RULE SHALL BE IN WRITING AND MUST BE SUBMITTED NO LATER THAN THE OPENING OF TRADING ON THE NEXT BUSINESS DAY FOLLOWING THE DAY ON WHICH THE USE OF THE EXCHANGE GAVE RISE TO SUCH CLAIMS. ONCE IN RECEIPT OF A CLAIM, THE EXCHANGE WILL VERIFY THAT: (i) A VALID ORDER WAS ACCEPTED INTO THE EXCHANGE'S SYSTEMS; AND (ii) AN EXCHANGE SYSTEM FAILURE OR A NEGLIGENT ACT OR OMISSION OF AN EXCHANGE EMPLOYEE OCCURRED DURING THE EXECUTION OR HANDLING OF THAT ORDER.

Rule 11.270. Clearly Erroneous Executions

(a) Definition. For purposes of this IEX Rule 11.270, the terms of a transaction executed on the Exchange are "clearly erroneous" when there is an obvious error in any term, such as price, number of shares or other unit of trading, or identification of the security. A transaction made in clearly erroneous error and canceled by both parties or determined by the Exchange to be clearly erroneous will be removed from the Consolidated Tape. Executions as a result of a Volatility Auction under Rule 11.350(f) are not eligible for a request to review as clearly erroneous under paragraph (b) of this Rule.

(b) Request and Timing of Review. A Member that receives an execution on an order that was submitted erroneously to the Exchange for its own or customer account may request that the Exchange review the transaction under this IEX Rule 11.270. An Officer of the Exchange or such other employee designee of the Exchange ("Official") shall review the transaction under dispute and determine whether it is clearly erroneous, with a view toward maintaining a fair and orderly market and the protection of investors and the public interest. Such request for review shall be made in writing via e-mail or other electronic means specified from time to time by the Exchange in a circular distributed to Members.

(1) Requests for Review. Requests for review must be received by the Exchange within thirty (30) minutes of execution time and shall include information concerning the time of the transaction(s), security symbol(s), number of shares, price(s), side (bought or sold), and factual basis for believing that the trade is clearly erroneous. Upon receipt of a timely filed request that satisfies the guidelines set forth in this IEX Rule 11.270, the counterparty to the trade, if any, shall be notified by the Exchange as soon as practicable, but generally within thirty (30) minutes. An Official may request additional supporting written information to aid in the resolution of the matter. If requested, each party to the transaction shall provide any supporting written information as may be reasonably requested by the Official to aid resolution of the matter within thirty (30)

minutes of the Official's request. Either party to the disputed trade may request the supporting written information provided by the other party on the matter.

(2) Routed Executions. Away trading centers will generally have an additional thirty (30) minutes from receipt of their participant's timely filing, but no longer than sixty (60) minutes from the time of the execution at issue, to file with the Exchange for review of transactions routed to the Exchange from that away trading center and executed on the Exchange.

(c) Clearly Erroneous Review.

(1) Review of transactions occurring during Regular Market Hours. If the execution time of the transaction(s) under review is during Regular Market Hours, the transaction will not be reviewable as clearly erroneous unless the transaction:

(A) is in an NMS Stock that is not subject to the Plan to Address Extraordinary Market Volatility Pursuant to Rule 608 of Regulation NMS under the Act (the "Limit Up-Limit Down Plan" or "LULD Plan"). In such case, the Numerical Guidelines set forth in paragraph (c)(2) of this Rule will be applicable to such NMS Stock;

(B) was executed at a time when Price Bands under the LULD Plan were not available, or is the result of an Exchange technology or systems issue that results in the transaction occurring outside of the applicable LULD Price Bands pursuant to paragraph (g), or is executed after the primary listing market for the security declares a regulatory trading halt, suspension, or pause pursuant to paragraph (i). A transaction subject to review pursuant to this paragraph shall be found to be clearly erroneous if the price of the transaction to buy (sell) that is the subject of the complaint is greater than (less than) the Reference Price, described in paragraph (d) below, by an amount that equals or exceeds the applicable Percentage Parameter defined in Appendix A to the LULD Plan ("Percentage Parameters"); or

(C) involved, in the case of (1) a corporate action or new issue or (2) a security that enters a Trading Pause pursuant to the LULD Plan and resumes trading without an auction, a Reference Price that is determined to be erroneous by an Officer of the Exchange because it clearly deviated from the theoretical value of the security. In such circumstances, the Exchange may use a different Reference Price pursuant to paragraph (d)(2) of this Rule. A transaction subject to review pursuant to this paragraph shall be found to be clearly erroneous if the price of the transaction to buy (sell) that is the subject of the complaint is greater than (less than) the new Reference Price, described in paragraph (d)(2) below, by an amount that equals or exceeds the Numerical Guidelines or Percentage Parameters, as applicable depending on whether the security is subject to the LULD Plan.

(2) Review of transactions occurring during the Pre-Market or Post-Market Sessions, or eligible for review pursuant to paragraph (c)(1)(A).

(A) Subject to the additional factors described in paragraph (c)(2)(C) below, a transaction executed during the Pre-Market or Post-Market Session, or eligible for review pursuant to paragraph (c)(1)(A), shall be found to be clearly erroneous if the price of the transaction to buy (sell) that is the subject of the complaint is greater than (less than) the Reference Price by an amount that equals or exceeds the Numerical Guidelines set forth below.

Reference Price, Circumstance or Product	Regular Market Hours Numerical Guidelines for transactions eligible for review pursuant to paragraph (c)(1)(A) (Subject transaction's % difference from the Reference Price)	Pre-Market and Post-Market Session Numerical Guidelines (Subject transaction's % difference from the Reference Price)
Greater than $0.00 up to and including $25.00	10%	20%
Greater than $25.00 up to and including $50.00	5%	10%
Greater than $50.00	3%	6%
Multi-Stock Event – Filings involving five or more, but less than twenty, securities whose executions occurred within a period of five minutes or less	10%	10%
Multi-Stock Event – Filings involving twenty or more securities whose executions occurred within a period of five minutes or less	30%, subject to the terms of paragraph (c)(2)(B) below	30%, subject to the terms of paragraph (c)(2)(B) below
Leveraged ETF/ETN	N/A	Regular Market Hours Numerical Guidelines multiplied by the leverage multiplier (*i.e.*, 2x)

(B) Multi-Stock Events Involving Twenty or More Securities. Multi- Stock Events involving twenty or more securities may be reviewable as clearly erroneous if they occur during the Pre-Market or Post Market Session or are eligible for review pursuant to paragraph (c)(1)(A). During Multi-Stock Events, the number of affected transactions may be such that immediate finality is necessary to maintain a fair and orderly market and to protect investors and the public interest. In such circumstances, the Exchange may use a Reference Price other than consolidated last sale. To ensure consistent application across trading centers when this paragraph is invoked, the Exchange will promptly coordinate with the away trading centers to determine the appropriate review period, which may be greater than the period of five minutes or less that triggered application of this paragraph, as well as select one or more specific points in time prior to the transactions in question and use transaction prices at or immediately prior to the one or more specific points in time selected as the Reference

Price. The Exchange will nullify as clearly erroneous all transactions that are at prices equal to or greater than 30% away from the Reference Price in each affected security during the review period selected by the Exchange and other markets consistent with this paragraph.

(C) Additional Factors. Except in the context of a Multi-Stock Event involving five or more securities, an Official may also consider additional factors to determine whether an execution is clearly erroneous, provided the execution occurred during the Pre-Market or Post Market Session or are eligible for review pursuant to paragraph (c)(1)(A). Such additional factors include but are not limited to, system malfunctions or disruptions, volume and volatility for the security, derivative securities products that correspond to greater than 100% in the direction of a tracking index, news released for the security, whether trading in the security was recently halted/resumed, whether the security is an initial public offering, whether the security was subject to a stock-split, reorganization, or other corporate action, overall market conditions, Pre-Market Session or Post-Market Session executions, validity of the consolidated tapes trades and quotes, consideration of primary market indications, and executions inconsistent with the trading pattern in the stock. Each additional factor shall be considered with a view toward maintaining a fair and orderly market and the protection of investors and the public interest.

(D) Outlier Transactions. In the case of an Outlier Transaction during the Pre-Market or Post Market Session or that is eligible for review pursuant to paragraph (c)(1)(A), an Official may, in his or her sole discretion, and on a case-by-case basis, consider requests received pursuant to paragraph (b) of this IEX Rule 11.270 after thirty (30) minutes, but not longer than sixty (60) minutes after the transaction in question, depending on the facts and circumstances surrounding such request.

(i) An "Outlier Transaction" means a transaction where the execution price of the security is greater than three times the current Numerical Guidelines set forth in paragraph (c)(2) of this IEX Rule 11.270.

(ii) If the execution price of the security in question is not within the Outlier Transaction parameters set forth in paragraph (c)(2)(D)(i) of this IEX Rule but breaches the 52-week high or 52-week low, the Exchange may consider Additional Factors as outlined in paragraph (c)(2)(C), in determining if the transaction qualifies for further review or if the Exchange shall decline to act.

(d) Reference Price. The Reference Price referred to in paragraphs (c)(1) and (c)(2) above will be equal to the consolidated last sale immediately prior to the execution(s) under review except for:

(1) in the case of Multi-Stock Events involving twenty or more securities, as described in paragraph (c)(2)(B) above;

(2) in the case of an erroneous Reference Price, as described in paragraph (c)(1)(C) above. In the case of (c)(1)(C)(1), the Exchange would consider a number of factors to determine a new Reference Price that is based on the theoretical value of the security, including but not limited to, the offering price of the new issue, the ratio of the stock split applied to the prior day's closing price, the theoretical price derived from the numerical terms of the corporate action transaction such as the exchange ratio and spin-off terms, and for an OTC up-listing, the price of the security as provided in the prior day's FINRA Trade Dissemination Service final closing report. In the case of (c)(1)(C)(2), the Reference Price will be the last effective Price Band that was in a limit state before the Trading Pause; or

(3) in other circumstances, such as, for example, relevant news impacting a security or securities, periods of extreme market volatility, sustained illiquidity, or widespread system issues, where use of a different Reference Price is

necessary for the maintenance of a fair and orderly market and the protection of investors and the public interest, provided that such circumstances occurred during the Pre-Market or Post Market Session or are eligible for review pursuant to paragraph (c)(1)(A).

(e) Review Procedures.

(1) Determination by Official. Unless both parties to the disputed transaction agree to withdraw the initial request for review, the transaction under dispute shall be reviewed, and a determination shall be rendered by the Official. If the Official determines that the transaction is not clearly erroneous, the Official shall decline to take any action in connection with the completed trade. In the event that the Official determines that the transaction in dispute is clearly erroneous, the Official shall declare the transaction null and void. A determination shall be made generally within thirty (30) minutes of receipt of the complaint, but in no case later than the start of the Regular Market Session on the following day. The parties shall be promptly notified of the determination.

(2) Appeals. If a Member affected by a determination made under this IEX Rule 11.270 so requests within the time permitted below, the Clearly Erroneous Execution Panel ("CEE Panel") will review decisions made by the Official under this IEX Rule, including whether a clearly erroneous execution occurred and whether the correct determination was made; provided however that the CEE Panel will not review decisions made by an Officer under paragraph (g) of this IEX Rule 11.270 regarding transactions that occurred outside of the applicable Price Bands disseminated pursuant to the LULD Plan, and further provided that with respect to rulings made by the Exchange in conjunction with one or more away trading centers, the number of affected transactions is similarly such that immediate finality is necessary to maintain a fair and orderly market and to protect investors and the public interest and, hence, are also non- appealable.

(A) The CEE Panel will be comprised of the CRO, or a designee of the CRO, and representatives from two (2) Members.

(B) The Exchange shall designate at least ten (10) representatives of Members to be called upon to serve on the CEE Panel as needed. In no case shall a CEE Panel include a person affiliated with a party to the trade in question. To the extent reasonably possible, the Exchange shall call upon the designated representatives to participate on a CEE Panel on an equally frequent basis.

(C) A request for review on appeal must be made in writing via e-mail or other electronic means specified from time to time by the Exchange in a circular distributed to Members within thirty (30) minutes after the party making the appeal is given notification of the initial determination being appealed. The CEE Panel shall review the facts and render a decision as soon as practicable, but generally on the same trading day as the execution(s) under review. On requests for appeal received between 3:00 p.m. Eastern Time and the close of trading in the Post-Market Session, a decision will be rendered as soon as practicable, but in no case later than the trading day following the date of the execution under review.

(D) The CEE Panel may overturn or modify an action taken by the Official under this IEX Rule 11.270. All determinations by the CEE Panel shall constitute final action by the Exchange on the matter at issue.

(E) If the CEE Panel votes to uphold the decision made pursuant to paragraph (e)(1) above, the Exchange will assess a $500.00 fee against the Member(s) who initiated the request for appeal. In addition, in instances where the Exchange, on behalf of a Member, requests a determination by an away trading center that a

transaction is clearly erroneous, the Exchange will pass any resulting charges through to the relevant Member.

(F) Any determination by an Officer or by the CEE Panel shall be rendered without prejudice as to the rights of the parties to the transaction to submit their dispute to arbitration.

(f) Officer Acting on Own Motion. An Officer of the Exchange or senior level employee designee, acting on his or her own motion, may review potentially erroneous transactions occurring during the Pre-Market or Post Market Session or that are eligible for review pursuant to paragraph (c)(1) and declare trades null and void or shall decline to take any action in connection with the completed trade(s). In such events, the Officer of the Exchange or such other senior level employee designee will rely on the provisions of paragraph (c)(1) and (c)(2) of this IEX Rule. Absent extraordinary circumstances, any such action of the Officer of the Exchange or other senior level employee designee shall be taken in a timely fashion, generally within thirty (30) minutes of the detection of the erroneous transaction. When extraordinary circumstances exist, any such action of the Officer of the Exchange or other senior level employee designee must be taken by no later than the start of Regular Market Hours on the trading day following the date of execution(s) under review. When such action is taken independently, each party involved in the transaction shall be notified as soon as practicable by the Exchange, and the party aggrieved by the action may appeal such action in accordance with the provisions of paragraph (e)(2) above.

(g) Transactions Occurring Outside of LULD Plan Price Bands. If as a result of an Exchange technology or systems issue any transaction occurs outside of the applicable Price Bands disseminated pursuant to the LULD Plan, an Officer of the Exchange or senior level employee designee, acting on his or her own motion or at the request of a third party, shall review and declare any such trades null and void. Absent extraordinary circumstances, any such action of the Officer of the Exchange or other senior level employee designee shall be taken in a timely fashion, generally within thirty (30) minutes of the detection of the erroneous transaction. When extraordinary circumstances exist, any such action of the Officer of the Exchange or other senior level employee designee must be taken by no later than the start of Regular Market Hours on the trading day following the date on which the execution(s) under review occurred. Each Member involved in the transaction shall be notified as soon as practicable by the Exchange, and the party aggrieved by the action may appeal such action in accordance with the provisions of paragraph (e)(2) above. In the event that a single plan processor experiences a technology or systems issue that prevents the dissemination of Price Bands, the Exchange will make the determination of whether to nullify transactions based on paragraph (c)(1)(B) above.

(h) Multi-Day Event. A series of transactions in a particular security on one or more trading days may be viewed as one event if all such transactions were effected based on the same fundamentally incorrect or grossly misinterpreted issuance information resulting in a severe valuation error for all such transactions (the "Event"). An Officer of the Exchange or senior level employee designee, acting on his or her own motion, shall take action to declare all transactions that occurred during the Event null and void not later than the start of trading on the day following the last transaction in the Event. If trading in the security is halted before the valuation error is corrected, an Officer of the Exchange or senior level employee designee shall take action to declare all transactions that occurred during the Event null and void prior to the resumption of trading. Notwithstanding the foregoing, no action can be taken pursuant to this paragraph with respect to any transactions that have reached settlement date or that result from an initial public offering of a security. To the extent transactions related to an Event occur on one or more away trading centers, the Exchange will promptly coordinate with such away trading center(s) to ensure consistent treatment of the transactions related to the Event, if practicable. Any action taken in connection with this paragraph will be taken without regard to the Percentage Parameters or Numerical Guidelines set forth in this IEX Rule. Each Member involved

in a transaction subject to this paragraph shall be notified as soon as practicable by the Exchange, and the party aggrieved by the action may appeal such action in accordance with the provisions of paragraph (e)(2) above.

(i) Trading Halts. In the event of any disruption or malfunction in the operation of the electronic communications and trading facilities of the Exchange, an away trading center or responsible single plan processor in connection with the transmittal or receipt of a regulatory trading halt, suspension or pause, an Officer of the Exchange or senior level employee designee, acting on his or her own motion, shall nullify any transaction in a security that occurs after the primary listing market for such security declares a regulatory trading halt, suspension or pause with respect to such security and before such regulatory trading halt, suspension or pause with respect to such security has officially ended according to the primary listing market. In addition, in the event a regulatory trading halt, suspension or pause is declared, then prematurely lifted in error and is then re-instituted, an Officer of the Exchange or senior level employee designee shall nullify transactions that occur before the official, final end of the halt, suspension or pause according to the primary listing market. Any action taken in connection with this paragraph shall be taken in a timely fashion, generally within thirty (30) minutes of the detection of the erroneous transaction and in no circumstances later than the start of Regular Market Hours on the trading day following the date of execution(s) under review. Any action taken in connection with this paragraph will be taken without regard to the Percentage Parameters or Numerical Guidelines set forth in this IEX Rule. Each Member involved in a transaction subject to this paragraph shall be notified as soon as practicable by the Exchange, and the party aggrieved by the action may appeal such action in accordance with the provisions of paragraph (e)(2) above.

(Amended by SR-IEX-2016-06 eff. August 5, 2016; amended by SR-IEX-2018-05 eff. March 6, 2018; amended by SR-IEX-2022-07 eff. September 21, 2022.)

Rule 11.271. Trading Halts

(a) The Exchange does not accept any orders in a security subject to a trading halt at the time of a trading halt. Any order submitted during a halt will be rejected by the System, except as set forth in Rule 11.350(e).

(b) Any orders resting on the Order Book at the time of a trading halt will not be canceled by the System, except as set forth in Rule 11.350(e). All orders resting on the Order Book in a security subject to a trading halt at the time of a trading halt will be unavailable for trading or re-sweep during the trading halt, but will be available for cancelation by the submitting User.

(c) During a trading halt, all quotes disseminated by the Exchange for such security will be set to zero.

(Amended by SR-IEX-2017-10 eff. August 4, 2017).

Rule 11.280. Limit Up-Limit Down Plan and Trading Halts

(a) The Exchange shall halt trading in all stocks and shall not reopen for the time periods specified in this IEX Rule 11.280 if there is a Level 1, 2, or 3 Market Decline.

(1) For purposes of this IEX Rule 11.280, a Market Decline means a decline in price of the S&P 500® Index between 9:30 a.m. and 4:00 p.m. on a trading day as compared to the closing price of the S&P 500® Index for the immediately preceding trading day. The Level 1, Level 2, and Level 3 Market Declines that will be applicable for the trading day will be publicly disseminated before 9:30 a.m.

(2) A "Level 1 Market Decline" means a Market Decline of 7%.

(3) A "Level 2 Market Decline" means a Market Decline of 13%.

(4) A "Level 3 Market Decline" means a Market Decline of 20%.

(b) Halts in Trading.

(1) If a Level 1 Market Decline or a Level 2 Market Decline occurs after 9:30 a.m. Eastern Time and up to and including 3:25 p.m. Eastern Time, or in the case of an early scheduled close, 12:25 p.m. Eastern Time, the Exchange shall halt trading in all stocks for 15 minutes after a Level 1 or Level 2 Market Decline. The Exchange shall halt trading based on a Level 1 or Level 2 Market Decline only once per trading day. The Exchange will not halt trading if a Level 1 Market Decline or a Level 2 Market Decline occurs after 3:25 p.m. Eastern Time, or in the case of an early scheduled close, 12:25 p.m. Eastern Time.

(2) If a Level 3 Market Decline occurs at any time during the trading day, the Exchange shall halt trading in all stocks for the remainder of the trading day.

(c) If a primary listing market halts trading in all stocks, the Exchange will halt trading in all stocks until trading has resumed on the primary listing market or notice has been received from the primary listing market that trading may resume. If the primary listing market does not reopen a security within 15 minutes following the end of the 15-minute halt period, the Exchange may resume trading in that security.

(d) Nothing in this IEX Rule 11.280 should be construed to limit the ability of the Exchange to otherwise halt, suspend, or pause the trading in any stock or stocks traded on the Exchange pursuant to any other IEX Rule or policy.

(e) Limit Up-Limit Down Mechanism.

(1) Definitions.

(A) The term "Plan" or "Limit Up-Limit Down Plan" means the Plan to Address Extraordinary Market Volatility Pursuant to Rule 608 of Regulation NMS under the Act, as amended from time to time.

(B) All capitalized terms not otherwise defined in this paragraph (e) shall have the meanings set forth in the Plan or IEX Rules, as applicable.

(2) Exchange Participation in the Plan. The Exchange is a Participant in, and subject to the applicable requirements of, the Plan, which establishes procedures to address extraordinary volatility in NMS Stocks.

(3) Member Compliance. Members shall comply with the applicable provisions of the Plan.

(4) Exchange Compliance with the Plan. The System shall not rank, display or execute buy (sell) interest above (below) the Upper (Lower) Price Bands, unless such interest is specifically exempted under the Plan.

(5) Re-pricing and Cancellation of Interest. The System shall re-price and/or cancel buy (sell) interest that is priced or could be executed above (below) the Upper (Lower) Price Band. When re-pricing resting orders because

such orders are above (below) the Upper (Lower) Price Band, the Exchange will provide new timestamps to such orders.

(A) Market Orders, FOK Orders and IOC Orders. The System will only execute market orders, FOK orders, or IOC orders at or within the Price Bands. If a market order, FOK order, or IOC order cannot be fully executed at or within the Price Bands, the System shall cancel any unexecuted portion of the order without posting such order to the Exchange's Order Book.

(B) Limit-priced Interest. Both displayable and non-displayable incoming limit-priced interest to buy (sell) that is priced above (below) the Upper (Lower) Price Band shall be re-priced to the Upper (Lower) Price Band. The System shall re-price resting limit-priced interest to buy (sell) to the Upper (Lower) Price Band if Price Bands move such that the price of resting limit-priced interest to buy (sell) would be above (below) the Upper (Lower) Price Band. If the Price Bands move again and the original limit price of displayed and re-priced interest is at or within the Price Band, the System shall re-price such displayed limit interest to the most aggressive permissible price up to the order's limit price. All other displayed and non-displayed limit interest re-priced pursuant to this paragraph (e) will remain at its new price unless the Price Bands move such that the price of resting limit-priced interest to buy (sell) would again be above (below) the Upper (Lower) Price Band.

(C) Pegged Interest. Pegged interest to buy (sell) shall peg to the specified pegging price or the Upper (Lower) Price Band, whichever is lower (higher).

(D) Routable Orders. If routing is permitted based on a User's instructions, orders shall be routed away from the Exchange pursuant to IEX Rule 11.230 at a price no more aggressive than the Lower Band Price (for sell orders) or Upper Band Price (for buy orders).

(E) Sell Short Orders. During a Short Sale Price Test, as defined in IEX Rule 11.290(b), Short Sale Orders priced below the Lower Price Band shall be re-priced to the higher of the Lower Price Band or the Permitted Display Price or Permitted Non-display Book Price, as applicable, as defined in IEX Rule 11.190(h)(4)(A).

(F) Auction Orders. Auction Eligible Orders on the Auction Book are not price slid or canceled due to LULD price bands.

(6) Reserved.

(7) Trading Pause during a Straddle State. The Exchange may declare a Trading Pause for a NMS Stock listed on the Exchange when (i) the National Best Bid (Offer) is below (above) the Lower (Upper) Price Band and the NMS Stock is not in a Limit State; and (ii) trading in that NMS Stock deviates from normal trading characteristics.

(8) Re-opening of Trading following a Trading Pause. At the end of the Trading Pause, the Exchange shall re-open trading in IEX-listed securities pursuant to the procedures set forth in IEX Rule 11.350(f). Trading in non-IEX-listed securities shall re-open upon receipt of the Price Bands from the single plan processor responsible for consolidation of information for the security.

(f) All times referenced in this IEX Rule 11.280 are Eastern Time.

(g) Authority to Initiate Trading Halts. In circumstances in which IEX deems it necessary to protect investors and the public interest, IEX, pursuant to the procedures set forth in paragraph (h):

(1) May halt trading on IEX of an IEX-listed security to permit the dissemination of material news, provided, however, that in the Pre-Market Session IEX will halt trading for dissemination of news only at the request of an issuer or pursuant to (g)(2) below;

(2) May halt trading on IEX of a security listed on another national securities exchange during a trading halt imposed by such exchange to permit the dissemination of material news;

(3) May halt trading on IEX: (A) in a security listed on another national securities exchange when such exchange imposes a trading halt in that security because of an order imbalance or influx ("operational trading halt"); or (B) in a security listed on IEX, when the security is a derivative or component of a security listed on another national securities exchange and such exchange imposes an operational trading halt in that security. In the event that IEX halts trading, IEX Members may commence quotations and trading otherwise than on IEX at any time following initiation of operational trading halts, without regard to whether IEX has terminated the trading halt on IEX;

(4) May halt trading in an American Depository Receipt ("ADR") or other security listed on IEX, when the IEX-listed security or the security underlying the ADR is listed on or registered with another national or foreign securities exchange or market, and the national or foreign securities exchange or market, or regulatory authority overseeing such exchange or market, halts trading in such security for regulatory reasons;

(5) May halt trading in a security listed on IEX when IEX requests from the issuer information relating to:

(A) material news;

(B) the issuer's ability to meet IEX listing qualification requirements, as set forth in Chapters 14 and 16; or

(C) any other information which is necessary to protect investors and the public interest;

(6) May halt trading in a security listed on IEX when

(A) extraordinary market activity in the security is occurring, such as the execution of a series of transactions for a significant dollar value at prices substantially unrelated to the current market for the security, as measured by the national best bid and offer, and

(B) IEX determines that such extraordinary market activity is likely to have a material effect on the market for the security; and

(i) IEX believes that such extraordinary market activity is caused by the misuse or malfunction of an electronic quotation, communication, reporting, or execution system operated by, or linked to, IEX; or

(ii) After consultation with another national securities exchange trading the security on an unlisted trading privileges basis, IEX believes that such extraordinary market activity is caused by the misuse or malfunction of an electronic quotation, communication, reporting, or execution system operated by, or linked to, such other national securities exchange; or

(iii) After consultation with FINRA regarding a FINRA facility trading the security, IEX believes that such extraordinary market activity is caused by the misuse or malfunction of such FINRA facility

or an electronic quotation, communication, reporting, or execution systems linked to such FINRA facility.

(7) May halt trading in a security that is the subject of an IPO on IEX.

(8) Reserved.

(9) Reserved.

(10) Reserved.

(11) Reserved.

(h) Procedure for Initiating and Terminating a Trading Halt.

(1) IEX issuers are required to notify IEX of the release of certain material news prior to the release of such information to the public as required by IEX Rule 14.207(b)(1).

(2) Notification shall be provided directly to IEX's Regulation Department in the manner specified by IEX.

(3) Upon receipt of information, from the issuer or other source, IEX will promptly evaluate the information, estimate its potential impact on the market and determine whether a trading halt in the security is appropriate.

(4) Should IEX determine that a basis exists under IEX Rule 11.280(e) or (g) for initiating an LULD trading pause or trading halt, the commencement of the trading pause or halt will be effective at the time specified by IEX in a notice posted on a publicly available IEX website.

(5) Trading in a halted security shall resume at or after the time specified by IEX in a notice posted on a publicly available IEX website.

(6) In the case of a trading halt under IEX Rule 11.280(g)(6) based on the misuse or malfunction of an electronic order entry, communication, reporting, or execution system that is not operated by IEX, IEX will promptly contact the operator of the system in question (as well as any national securities exchange or FINRA facility to which such system is linked) to ascertain information that will assist IEX in determining whether a misuse or malfunction has occurred, what effect the misuse or malfunction is having on trading in a security, and what steps are being taken to address the misuse or malfunction. If the operator of the system is unavailable when contacted by IEX, IEX will continue efforts to contact the operator of the system to ascertain information that will assist IEX in determining whether the trading halt should be terminated.

(A) A trading halt initiated under IEX Rule 11.280(g)(6) shall be terminated as soon as IEX determines either that the system misuse or malfunction that caused the extraordinary market activity will no longer have a material effect on the market for the security or that system misuse or malfunction is not the cause of the extraordinary market activity.

(7) A trading halt or pause initiated under IEX Rule 11.280(e)(2), (7) or (g)(1), (4), or (5) shall be terminated when IEX releases the security for trading at the conclusion of the Halt or Volatility Auction pursuant to Rule 11.350(e) or (f), as applicable.

(8) A trading halt initiated for a security that is the subject of an IPO on IEX pursuant to Rule 11.280(g)(7) shall be

terminated when IEX releases the security for trading and the conditions described in this rule are satisfied.

(A) Beginning at the start of the Order Acceptance Period (generally, 8:00 a.m.) Users may enter orders in a security that is the subject of an IPO on IEX. Prior to terminating the halt, there will be a Display Only Period during which IEX will disseminate IEX Auction Information via electronic means, and Users may continue to enter Auction Eligible Orders for that security into the System.

(B) Between the start of the Display Only Period and the start of the Pre-Launch Period (as defined in subsection (C) below), the lead underwriter, or broker-dealer serving in the role of financial advisor for securities being priced pursuant to Rule 11.280(h)(9) (collectively, the "underwriter"), will provide the Exchange with an upper price band ("Upper IPO Price Band") and a lower price band ("Lower IPO Price Band") for publication, which shall together reflect the price range within which the underwriter anticipates the IPO Auction match to occur. When published, the Upper and Lower IPO Price Bands (collectively, the "IPO Price Band") shall be disseminated via the securities information processor and proprietary data feeds.

(i) In determining the IPO Price Band, the underwriter shall take into account all Auction Eligible Orders for the IPO Auction, including all orders on the Exchange's Order Book, as well as the underwriter's own interest, and interest represented by the underwriter;

(ii) If the current published IPO Price Band spread is greater than $1.00, the underwriter shall make best efforts to provide the Exchange with an updated IPO Price Band with a spread of $1.00 or less for publication before the IPO Auction match; and

(iii) A minimum of one minute must elapse between publication of the last IPO Price Band and the IPO Auction match.

(C) At least fifteen (15) minutes after the start of the Display Only Period, the underwriter shall advise the Exchange to enter into a "Pre-Launch Period" of indeterminate duration. The Pre-Launch Period and the Display Only Period shall end, and the security shall be released for trading by IEX when the following conditions are all met, and the requirements of Rule 11.350(e)(2) are satisfied:

(i) All market orders will be executed in the IPO Auction;

(ii) The underwriter has selected a final IPO Price Band that is at or within the last published IPO Price Band;

(iii) The IPO Auction clearing price is at or within the IPO Price Band selected by the underwriter under subsection (ii) above; and

(iv) IEX receives notice from the underwriter of the IPO that the security is ready to trade.

(D) The failure to satisfy the conditions of subsection (C) above will result in a delay of the release for trading of the IPO, and a continuation of the Pre-Launch Period, during which the underwriter may provide one or more updated IPO Price Bands to the Exchange for publication pursuant to subsection (B) above, until all of the conditions of subsection (C) have been satisfied. The underwriter, with concurrence of IEX, may determine at any point during the IPO Auction process up through the conclusion of the Pre-Launch Period to postpone and reschedule the IPO. Market participants may continue to enter orders and order cancellations for participation in the IPO Auction during the Pre-Launch Period until the auction match.

(i) Market-Wide Circuit Breaker ("MWCB") Testing.

(1) The Exchange will participate in all industry-wide tests of the MWCB mechanism. Members designated pursuant to paragraph (b) of Rule 2.250 to participate in Exchange back-up systems and mandatory testing are required to participate in at least one industry-wide MWCB test each year and to verify their participation in that test by attesting that they are able to or have attempted to:

(A) receive and process MWCB halt messages from the securities information processors ("SIPs");

(B) receive and process resume messages from the SIPs following a MWCB halt;

(C) receive and process market data from the SIPs relevant to MWCB halts; and

(D) send orders following a Level 1 or Level 2 MWCB halt in a manner consistent with their usual trading behavior.

(2) To the extent that a Member participating in a MWCB test is unable to receive and process any of the messages identified in paragraph (i)(1)(A)-(D) of this Rule, its attestation should notify the Exchange which messages it was unable to process and, if known, why.

(3) Members not designated pursuant to standards established in paragraph (b) of Rule 2.250 are permitted to participate in any MWCB test.

(j) In the event that a halt is triggered under this Rule following a Level 1, Level 2, or Level 3 Market Decline, the Exchange, together with other SROs and industry representatives (the "MWCB Working Group"), will review such event. The MWCB Working Group will prepare a report that documents its analysis and recommendations and will provide that report to the Commission within 6 months of the event.

(k) In the event that there is (1) a Market Decline of more than 5%, or (2) an SRO implements a rule that changes its reopening process following a MWCB Halt, the Exchange, together with the MWCB Working Group, will review such event and consider whether any modifications should be made to this Rule. If the MWCB Working Group recommends that a modification should be made to this Rule, the MWCB Working Group will prepare a report that documents its analysis and recommendations and provide that report to the Commission.

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.01 Non-Member Underwriters. The underwriter for a security that is the subject of an IPO on IEX must be a Member of the Exchange, or appoint a Member of the Exchange to perform the functions under Rule 11.280(h)(8) that are performed by the underwriter with respect to the IPO Auction.

(9) For purposes of this IEX Rule and IEX Rule 11.350(e), the process for halting and initial pricing of a security that is the subject of an IPO shall also be available for the initial pricing of any other security that has not been listed on a national securities exchange or traded in the over-the-counter market pursuant to FINRA Form 211 immediately prior to the initial pricing, provided that a broker-dealer serving in the role of financial advisor to the issuer of the securities being listed is willing to perform the functions under IEX Rule 11.280(h)(8) that are performed by an underwriter with respect to an initial public offering.

(Amended by SR-IEX-2017-10 eff. August 4, 2017; amended by SR-IEX-2018-13 eff. June 22, 2018; amended by SR-IEX-2019-04 eff. April 8, 2019; amended by SR-IEX-2019-11 eff. October 11, 2019; amended by SR-IEX-2020-04 eff. March 18,

2020; amended by SR-IEX-2020-17 eff. October 5, 2020; amended by SR-IEX-2021-11 eff. October 13, 2021; amended by SR-IEX-2022-01 eff. March 15, 2022; amended by SR-IEX-2022-03 eff. April 14, 2022).

Rule 11.290. Short Sales

Marking. All sell orders entered into the Exchange must be marked long, short, or short exempt.

(a) Definitions. For purposes of this IEX Rule, the terms "covered security," "listing market," and "national best bid" shall have the same meaning as in Rule 201 of Regulation SHO.

(b) Short Sale Price Test. The System shall not execute, route to an away trading center, or display a short sale order not marked short exempt with respect to a covered security at a price that is less than or equal to the current national best bid if the price of that security decreases by 10% or more, as determined by the listing market for the covered security, from the covered security's closing price on the listing market as of the end of the Regular Market Session on the prior day (the "Trigger Price").

(c) Determination of Trigger Price. For covered securities for which the Exchange is the listing market, the System shall determine whether a transaction in a covered security has occurred at a Trigger Price and shall immediately notify the responsible single plan processor.

(1) The System will not calculate the Trigger Price of a covered security outside of the Regular Market Session.

(2) If a covered security did not trade on the Exchange on the prior trading day (due to a trading halt, trading suspension, or otherwise), the Exchange's determination of the Trigger Price shall be based on the last sale price on the Exchange for that security on the most recent day on which the security traded.

(d) Duration of Short Sale Price Test. If the Short Sale Price Test is triggered by the listing market with respect to a covered security, the Short Sale Price Test shall remain in effect on the Exchange until the close of the Post-Market Session on the next trading day, as provided for in Regulation SHO Rule 201(b)(1)(ii) (the "Short Sale Period").

(1) If the Exchange determines pursuant to IEX Rule 11.270 that the Short Sale Price Test for a covered security was triggered because of a clearly erroneous execution, the Exchange may lift the Short Sale Price Test before the Short Sale Period ends for securities for which the Exchange is the listing market or, for securities listed on another market, notify the other market of the Exchange's determination that the triggering transaction was a clearly erroneous execution as soon as practicable following such determination. The Exchange may also lift the Short Sale Price Test before the Short Sale Period ends, for a covered security for which the Exchange is the listing market, if the Exchange has been informed by another exchange or a self-regulatory organization ("SRO") that a transaction in the covered security that occurred at the Trigger Price was a clearly erroneous execution, as determined by the rules of that exchange or SRO.

(2) If the Exchange determines that the prior day's closing price for a listed security is incorrect in the System and resulted in an incorrect determination of the Trigger Price, the Exchange may correct the prior day's closing price and lift the Short Sale Price Test before the Short Sale Period ends.

(Amended by SR-IEX-2017-39 eff. November 13, 2017).

Rule Series 11.300. SYSTEM GUIDELINES

Rule 11.310. Locking or Crossing Quotations in NMS Stocks:

(a) Definitions. For purposes of this IEX Rule 11.310, the following definitions shall apply:

(1) The terms automated quotation, effective national market system plan, inter-market sweep order, manual quotation, NMS stock, protected quotation, the Regular Market Session, and trading center shall have the meanings set forth in Rule 600(b) of Regulation NMS.

(2) The term crossing quotation shall mean the display of a bid for an NMS stock during the Regular Market Session at a price that is higher than the price of an offer for such NMS stock previously disseminated pursuant to an effective national market system plan, or the display of an offer for an NMS stock during the Regular Market Session at a price that is lower than the price of a bid for such NMS stock previously disseminated pursuant to an effective national market system plan.

(3) The term locking quotation shall mean the display of a bid for an NMS stock during the Regular Market Session at a price that equals the price of an offer for such NMS stock previously disseminated pursuant to an effective national market system plan, or the display of an offer for an NMS stock during the Regular Market Session at a price that equals the price of a bid for such NMS stock previously disseminated pursuant to an effective national market system plan.

(b) Prohibition. Except for quotations that fall within the provisions of paragraph (c) of this IEX Rule, the System shall not make available for dissemination, and Users shall reasonably avoid displaying, and shall not engage in a pattern or practice of displaying, any quotations that lock or cross a protected quotation previously disseminated pursuant to an effective national market system plan.

(c) Exceptions.

(1) The locking or crossing quotation was displayed at a time when the trading center displaying the locked or crossed quotation was experiencing a failure, material delay, or malfunction of its systems or equipment.

(2) The locking or crossing quotation was displayed at a time when a protected bid was higher than a protected offer in the NMS stock.

Rule 11.320. Input of Accurate Information

(a) Members of the Exchange shall input accurate information into the System, including, but not limited to, whether the Member acted in a Principal, Agent, or Riskless Principal capacity for each order entered.

Rule 11.330. Data Products

(a) The Exchange offers the following data products free of charge, except as otherwise noted in the Exchange's fee schedule:

(1) TOPS. TOPS is an uncompressed data feed that offers aggregated top of book quotations for all displayed orders resting on the Order Book, execution information (i.e., last sale information) for executions on the Exchange, and provides IEX Auction Information for IEX-listed securities.

(2) DEEP. DEEP is an uncompressed data feed that provides aggregated depth of book quotations for all displayed orders resting on the Order Book at each price level, execution information (i.e., last sale information) for executions on the Exchange, and provides IEX Auction Information for IEX-listed securities.

(3) DROP. DROP is an uncompressed data feed that offers information regarding the equities trading activity of a specific Member. DROP is only available to the Member to whom the specific data relates and those recipients expressly authorized by the Member.

(4) HIST. Historical Data is a data product that offers historical data.

(Amended by SR-IEX-2016-05 eff. August 3, 2016; amended by SR-IEX-2017-05 eff. February 28, 2017; amended by SR-IEX-2017-19 eff. June 1, 2017; amended by SR-IEX-2017-10 eff. August 4, 2017; amended by SR-IEX-2021-13 eff. October 25, 2021).

Rule 11.340. Compliance with Regulation NMS Plan to Implement a Tick Size Pilot

(a) Tick Size Pilot Program

(1) Definitions.

(A) "Plan" means the Tick Size Pilot Plan Submitted to the Securities and Exchange Commission Pursuant to Rule 608(a)(3) of Regulation NMS under the Exchange Act.

(B) "Pilot Test Groups" means the three test groups established under the Plan, consisting of 400 Pilot Securities each, which satisfy the respective criteria established by the Plan for each such test group.

(C) Reserved.

(D) "Trade-at Intermarket Sweep Order" ("TA ISO") means a limit order for a Pilot Security that meets the following requirements:

(i) When routed to a Trading Center, the limit order is identified as a TA ISO; and

(ii) Simultaneously with the routing of the limit order identified as a TA ISO, one or more additional limit orders, as necessary, are routed to execute against the full displayed size of any protected bid, in the case of a limit order to sell, or the full displayed size of any protected offer, in the case of a limit order to buy, for the Pilot Security with a price that is better than or equal to the limit price of the limit order identified as a TA ISO. These additional routed orders also must be marked as TA ISO or ISO.

(E) All capitalized terms not otherwise defined in this IEX Rule shall have the meanings set forth in the Plan, Regulation NMS under the Exchange Act, or Exchange Rules, as applicable.

(2) Exchange Participation in the Plan. The Exchange is a Participant in, and subject to the applicable requirements of, the Plan, which establishes a Tick Size Pilot Program that will allow the Securities and Exchange Commission, market participants, and the public to study and assess the impact of increment conventions on the liquidity and trading of the common stocks of small capitalization companies.

(3) Member Compliance. Members shall establish, maintain and enforce written policies and procedures that are reasonably designed to comply with the applicable requirements of the Plan.

(4) Exchange Compliance with the Plan. Exchange systems will not display, quote or trade in violation of the applicable quoting and trading requirements for a Pilot Security specified in the Plan and this IEX Rule, unless such quotation or transaction is specifically exempted under the Plan. IEX will apply the quoting and trading requirements during the Pre-Market, Regular Market, and Post-Market Sessions.

(5) Pilot Securities That Drop Below $1.00 During the Pilot Period. If the price of a Pilot Security drops below $1.00 during regular trading on any given business day, such Pilot Security will continue to be subject to the Plan and the requirements enumerated in (c)(1)-(3) below and will continue to trade in accordance with such IEX Rules as if the price of the Pilot Security had not dropped below $1.00. However, if the Closing Price of a Pilot Security on any given business day is below $1.00, such Pilot Security will be moved out of its respective Pilot Test Group into the Control Group, and may then be quoted and traded at any price increment that is currently permitted by Exchange Rules for the remainder of the Pilot Period. Notwithstanding anything contained herein to the contrary, at all times during the Pilot Period, Pilot Securities (whether in the Control Group or any Pilot Test Group) will continue to be subject to the requirements contained in Paragraph (b).

(b) Compliance with Data Collection Requirements.

(1) Policies and Procedures Requirement. A Member that operates a Trading Center shall establish, maintain and enforce written policies and procedures that are reasonably designed to comply with the data collection and transmission requirements of Items I and II of Appendix B of the Plan, and a Member that is a Market Maker shall establish, maintain and enforce written policies and procedures that are reasonably designed to comply with the data collection and transmission requirements of Item IV of Appendix B of the Plan and Item I of Appendix C of the Plan.

(2) The Exchange shall collect and transmit to the SEC the data described in Items I and II of Appendix B of the Plan relating to trading activity in Pre-Pilot Securities and Pilot Securities on a Trading Center operated by the Exchange. The Exchange shall transmit such data to the SEC in a pipe delimited format, on a disaggregated basis by Trading Center, within 30 calendar days following month end for:

(A) Each Pre-Pilot Data Collection Security for the period beginning six months prior to the Pilot Period through thirty-one days prior to the first day of the Pilot Period; and

(B) Each Pilot Security for the period beginning thirty days prior to the first day of the Pilot Period through six months after the end of the Pilot Period.

(C) The Exchange also shall make such data publicly available on the Exchange web site within 120 days following month end at no charge and shall not identify the Member that generated the data.

(3) Daily Market Maker Participation Statistics Requirement

(A) A Member that is a Market Maker shall collect and transmit to their DEA data relating to Item IV of Appendix B of the Plan, with respect to activity conducted on any Trading Center in Pre-Pilot Securities and Pilot Securities in furtherance of its status as a Market Maker, including a Trading Center that executes

trades otherwise than on a national securities exchange, for transactions that have settled or reached settlement date. Market Makers shall transmit such data in a format required by their DEA by 12:00 p.m. EST on T+4:

(i) For transactions in each Pre-Pilot Data Collection Security for the period beginning six months prior to the Pilot Period through thirty-one days prior to the first day of the Pilot Period; and

(ii) For transactions in each Pilot Security for the period beginning thirty days prior to the first day of the Pilot Period through six months after the end of the Pilot Period.

(B) A Member that is a Market Maker whose DEA is not a Participant to the Plan shall transmit the data collected pursuant to paragraph (3)(A) above to the Financial Industry Regulatory Authority, Inc. ("FINRA"). Market Makers shall transmit such data in a format required by FINRA by 12:00 p.m. EST on T+4 in accordance with paragraphs (3)(A)(i) and (ii) above.

(C) The Exchange shall transmit the data collected by the DEA or FINRA pursuant to paragraphs (3)(A) and (B) above relating to Market Maker activity on a Trading Center operated by the Exchange to the SEC in a pipe delimited format within 30 calendar days following month end. The Exchange shall also make such data publicly available on the Exchange web site within 120 days following month end at no charge and shall not identify the Trading Center that generated the data.

(4) Market Maker Profitability

(A) A Member that is a Market Maker shall collect and transmit to their DEA the data described in Item I of Appendix C of the Plan with respect to executions on any Trading Center that have settled or reached settlement date. Market Makers shall transmit such data in a format required their DEA by 12:00 p.m. EST on T+4 for executions during and outside of Regular Trading Hours in each:

(i) Pre-Pilot Data Collection Security for the period beginning six months prior to the Pilot Period thirty-one days prior to the first day of the Pilot Period; and

(ii) Pilot Security for the period beginning thirty days prior to the first day of the Pilot Period through six months after the end of the Pilot Period.

(B) A Member that is a Market Maker whose DEA is not a Participant to the Plan shall transmit the data collected pursuant to paragraph (4)(A) above to FINRA. Market Makers shall transmit such data in a format required by FINRA by 12:00 p.m. EST on T+4 for executions during and outside of Regular Trading Hours in accordance with paragraphs (4)(A)(i) and (ii) above.

(5) Market Maker Registration Statistics. The Exchange shall collect and transmit to the SEC the data described in Item III of Appendix B of the Plan relating to daily Market Maker registration statistics in a pipe delimited format within 30 calendar days following month end for:

(A) For transactions in each Pre-Pilot Data Collection Security for the period beginning six months prior to the Pilot Period through thirty-one days prior to the first day of the Pilot Period; and

(B) For transactions in each Pilot Security for the period beginning thirty days prior to the first day of the Pilot Period through six months after the end of the Pilot Period.

(c) Compliance with Quoting and Trading Restrictions.

(1) Pilot Securities in Test Group One will be subject to the following requirement: No Member may display, rank, or accept from any person any displayable or non- displayable bids or offers, orders, or indications of interest in increments other than $0.05. However, orders priced to trade at the midpoint of the national best bid and national best offer ("NBBO") or best protected bid and best protected offer ("PBBO") and orders entered in a Participant-operated retail liquidity program may be ranked and accepted in increments of less than $0.05. Pilot Securities in Test Group One may continue to trade at any price increment that is currently permitted by IEX Rule 11.210.

(2) Pilot Securities in Test Group Two shall be subject to the following requirements:

(A) No Member may display, rank, or accept from any person any displayable or non-displayable bids or offers, orders, or indications of interest in increments other than $0.05. However, orders priced to trade at the midpoint of the NBBO or PBBO and orders entered in a Participant-operated retail liquidity program may be ranked and accepted in increments of less than $0.05.

(B) Absent any of the exceptions listed in (C) below, no Member may execute orders in any Pilot Security in Test Group Two in price increments other than $0.05. The $0.05 trading increment will apply to all trades, including Brokered Cross Trades.

(C) Pilot Securities in Test Group Two may trade in increments less than $0.05 under the following circumstances:

(i) Trading may occur at the midpoint between the NBBO or the PBBO;

(ii) Retail Investor Orders may be provided with price improvement that is at least $0.005 better than the PBBO;

(iii) Negotiated Trades may trade in increments less than $0.05; and

(iv) Execution of a customer order to comply with IEX Rule 10.160 following the execution of a proprietary trade by the Member at an increment other than $0.05, where such proprietary trade was permissible pursuant to an exception under the Plan.

(3) Pilot Securities in Test Group Three shall be subject to the following requirements:

(A) No Member may display, rank, or accept from any person any displayable or non-displayable bids or offers, orders, or indications of interest in increments other than $0.05. However, orders priced to trade at the midpoint of the NBBO or PBBO and orders entered in a Participant-operated retail liquidity program may be ranked and accepted in increments of less than $0.05.

(B) Absent any of the exceptions listed in (C) below, no Member may execute orders in any Pilot Security in Test Group Three in price increments other than $0.05. The $0.05 trading increment will apply to all trades, including Brokered Cross Trades.

(C) Pilot Securities in Test Group Three may trade in increments less than $0.05 under the following circumstances:

(i) Trading may occur at the midpoint between the NBBO or PBBO;

(ii) Retail Investor Orders may be provided with price improvement that is at least $0.005 better than the Best Protected Bid or the Best Protected Offer;

(iii) Negotiated Trades may trade in increments less than $0.05; and

(iv) Execution of a customer order to comply with IEX Rule 10.160 following the execution of a proprietary trade by the Member at an increment other than $0.05, where such proprietary trade was permissible pursuant to an exception under the Plan.

(D) Pilot Securities in Test Group Three will be subject to the following Trade-at Prohibition:

(i) "Trade-at Prohibition" means the prohibition against executions by a Trading Center of a sell order for a Pilot Security at the price of a Protected Bid or the execution of a buy order for a Pilot Security at the price of a Protected Offer.

(ii) Absent any of the exceptions listed in (iii) below, no Member may execute a sell order for a Pilot Security in Test Group Three at the price of a Protected Bid or execute a buy order for a Pilot Security in Test Group Three at the price of a Protected Offer.

(iii) Members may execute a sell order for a Pilot Security in Test Group Three at the price of a Protected Bid or execute a buy order for a Pilot Security in Test Group Three at the price of a Protected Offer if any of the following circumstances exist:

(a) The order is executed as agent or riskless principal by an independent trading unit, as defined under Rule 200(f) of Regulation SHO, of a Trading Center within a Member that has a displayed quotation as agent or riskless principal, via either a processor or an SRO Quotation Feed, at a price equal to the traded-at Protected Quotation, that was displayed before the order was received, but only up to the full displayed size of that independent trading unit's previously displayed quote;

(b) The order is executed by an independent trading unit, as defined under Rule 200(f) of Regulation SHO, of a Trading Center within a Member that has a displayed quotation for the account of that Trading Center on a principal (excluding riskless principal) basis, via either a processor or an SRO Quotation Feed, at a price equal to the traded-at Protected Quotation, that was displayed before the order was received, but only up to the full displayed size of that independent trading unit's previously displayed quote;

(c) The order is of Block Size at the time of origin and may not be:

(A) an aggregation of non-block orders; or

(B) broken into orders smaller than Block Size prior to submitting the order to a Trading Center for execution.

(d) The order is a Retail Investor Order executed with at least $0.05 price improvement;

(e) The order is executed when the Trading Center displaying the Protected Quotation that was traded at was experiencing a failure, material delay, or malfunction of its systems or equipment;

(f) The order is executed as part of a transaction that was not a "regular way" contract;

(g) The order is executed as part of a single-priced opening, reopening, or closing transaction on the Exchange;

(h) The order is executed when a Protected Bid was priced higher than a Protected Offer in the Pilot Security;

(i) The order is identified as a TA ISO;

(j) The order is executed by a Trading Center that simultaneously routed TA ISO or ISO to execute against the full displayed size of the Protected Quotation that was traded at;

(k) The order is executed as part of a Negotiated Trade;

(l) The order is executed when the Trading Center displaying the Protected Quotation that was traded at had displayed, within one second prior to execution of the transaction that constituted the Trade-at, a Best Protected Bid or Best Protected Offer, as applicable, for the Pilot Security with a price that was inferior to the price of the Trade-at transaction;

(m) The order is executed by a Trading Center which, at the time of order receipt, the Trading Center had guaranteed an execution at no worse than a specified price (a "stopped order"), where:

(A) The stopped order was for the account of a customer;

(B) The customer agreed to the specified price on an order-by-order basis; and

(C) The price of the Trade-at transaction was, for a stopped buy order, equal to or less than the National Best Bid in the Pilot Security at the time of execution or, for a stopped sell order, equal to or greater than the National Best Offer in the Pilot Security at the time of execution, as long as such order is priced at an acceptable increment;

(n) The order is for a fractional share of a Pilot Security, provided that such fractional share order was not the result of breaking an order for one or more whole shares of a Pilot Security into

orders for fractional shares or was not otherwise effected to evade the requirements of the Trade-at Prohibition or any other provisions of the Plan; or

(o) The order is to correct a bona fide error, which is recorded by the Trading Center in its error account. A bona fide error is defined as:

(A) The inaccurate conveyance or execution of any term of an order including, but not limited to, price, number of shares or other unit of trading; identification of the security; identification of the account for which securities are purchased or sold; lost or otherwise misplaced order tickets; short sales that were instead sold long or vice versa; or the execution of an order on the wrong side of a market;

(B) The unauthorized or unintended purchase, sale, or allocation of securities, or the failure to follow specific client instructions;

(C) The incorrect entry of data into relevant systems, including reliance on incorrect cash positions, withdrawals, or securities positions reflected in an account; or

(D) A delay, outage, or failure of a communication system used to transmit market data prices or to facilitate the delivery or execution of an order.

(iv) No Member shall break an order into smaller orders or otherwise effect or execute an order to evade the requirements of the Trade-at Prohibition of this IEX Rule or any other provisions of the Plan.

(d) Exchange handling of orders during the Pilot Period for the Plan.

This section sets forth IEX's specific procedures for handling, executing, re-pricing and displaying of certain orders and modifiers applicable to Pilot Securities. Unless otherwise indicated, this section applies to orders in all three Test Group Pilot Securities.

(1) All Orders. Any order in a security of any of the Test Groups that requires a price and does not otherwise qualify for an exemption, will not be accepted if it is in a minimum price increment other than $0.05. This minimum price increment applies to repricing and rounding by the System, unless otherwise noted below.

(2) TA ISOs. The Exchange will accept TA ISOs in all securities. A TA ISO entered in a security that is not in Test Group Three will be treated as an ISO in accordance with IEX Rule 11.190(b)(12). A TA ISO entered in a security in Test Group Three will be immediately and automatically executed against the displayed and non-displayed bid (offer) up to its full size in accordance with IEX Rule 11.230, and the portion not so executed will be immediately and automatically canceled. A TA ISO:

(A) Must be a limit order.

(B) Must have a TIF of IOC.

(C) Is not eligible for routing pursuant to IEX Rule 11.230(b) and (c)(2).

(D) Must be submitted with a limit price.

(E) May be submitted during the Pre-Market Session, Regular Market Session, and Post-Market Session.

(F) May not be a MQTY.

(G) May be an odd lot, round lot, or mixed lot.

(3) Order Price Collars and Restraints, as specified in IEX Rule 11.190(f), that are not in the trading MPV for the security will be rounded down (in the case of an order to buy) or up (in the case of an order to sell) to the nearest permissible price increment for that security.

(4) For Pilot Securities in Test Group Three:

(A) An incoming or active order to sell (buy) will trade with displayed orders to buy (sell) and route, if consistent with the terms of the order, to protected bids (offers) before trading with non-displayed orders at the same price. After trading or routing, or both, any remaining balance of an incoming order will trade with any non-displayed orders at the same price as specified in IEX Rule 11.230(a)(4), so long as the incoming order has satisfied all same price Protected Quotations or an exception to the Trade-at Prohibition applies.

(B) An ISO to buy (sell) will not trade with non-displayed interest to sell (buy) that is the same price as the protected offer (bid) unless the limit price of such ISO is higher (lower) than the price of the protected offer (bid) or another exception applies to the Trade-at Prohibition.

(C) Non-displayed Orders. If after being posted to the Order Book, the NBBO or PBBO changes so that a non-displayed order would no longer be executable at its posted price due to the requirements of Regulation NMS or the Plan, as applicable, the non-displayed order will be repriced consistent with this subparagraph and IEX Rule 11.190(h).

(i) Trade-At Prohibition for Same Side Protected Quotations. A non-displayed resting buy (sell) order (including the non-displayed portion of a reserve order) will not execute at the price of a Protected Bid (Offer) on an away trading center unless the incoming order qualifies for an exception to the Trade-at Prohibition.

(ii) Trade-At Prohibition for Opposite Side Protected Quotations. A non-displayable order (including the non-displayed portion of a reserve order) that, at the time of entry, could not be executed at its full limit price, adjusted by applicable peg instructions, if any, market conditions and all applicable rules and regulations, will be repriced and ranked by the System on the Order Book non-displayed pursuant to the non-displayed price sliding rules set forth in IEX Rule 11.190(h)(2) ("Permitted Non-Displayed Group 3 Book Price"). In situations where the resulting price for a buy (sell) order is equal to the lowest Protected Offer (highest Protected Bid), the Permitted Non-Displayed Group 3 Book Price will be equal to one (1) MPV below (above) the lowest Protected Offer (highest Protected Bid). Non-displayed orders (including non-displayed portions of reserve orders) resting on the Order Book whose booked price becomes locked or crossed by the PBBO will be re-priced by the System at a Permitted Non-Displayed Group 3 Book Price. To reflect increases (declines) in the lowest Protected Offer (highest Protected Bid), the System will continue to re-price a resting non-displayed buy (sell)

order to be equal to the higher (lower) of the order's limit price or a Permitted Non-Displayed Group 3 Book Price.

(D) The Exchange will utilize the Block Size exception under the following circumstances:

(i) A non-routable order is of at least Block Size and the resulting execution upon entry against the Order Book, in accordance with IEX Rule 11.230(a), is for at least Block Size.

(ii) A routable order of at least Block Size is sent to the Order Book pursuant to IEX Rule 11.230(b)(2) and the resulting execution upon entry to the Order Book, in accordance with IEX Rule 11.230(b)(2), is for at least Block Size.

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.01 The terms used in this Rule 11.340 shall have the same meaning as provided in the Plan, unless otherwise specified.

.02 For purposes of the reporting requirement in Appendix B.II.(n), a Trading Center shall report "Y" to their DEA where it is relying upon the Retail Investor Order exception to Test Groups Two and Three, and "N" in all other instances.

.03 For purposes of Appendix B.I, the field "Affected by Limit-Up Limit-Down bands" shall be included. A Trading Center shall report a value of "Y" to their DEA when the ability of an order to execute has been affected by the Limit-Up Limit-Down (LULD) bands in effect at the time of order receipt. A Trading Center shall report a value of "N" to their DEA when the ability of an order to execute has not been affected by the LULD bands in effect at the time of order receipt. For purposes of Appendix B.I, the Participants shall classify all orders in Pilot and Pre-Pilot Securities that may trade in a foreign market as: (1) fully executed domestically or (2) fully or partially executed on a foreign market. For purposes of Appendix B.II, the Participants shall classify all orders in Pilot and Pre-Pilot Securities that may trade in a foreign market as: (1) directed to a domestic venue for execution; (2) may only be directed to a foreign venue for execution; or (3) fully or partially directed to a foreign venue at the discretion of the Member.

.04

(a) For purposes of Appendix B.I.a(14), B.I.a(15), B.I.a(21) and B.I.a(22), the time ranges shall be changed as follows:

(1) Appendix B.I.a(14A): The cumulative number of shares of orders executed from 100 microseconds to less than 1 millisecond after the time of order receipt;

(2) Appendix B.I.a(15): The cumulative number of shares of orders executed from 1 millisecond to less than 100 milliseconds after the time of order receipt;

(3) Appendix B.I.a(21A): The cumulative number of shares of orders canceled from 100 microseconds to less than 1 millisecond after the time of order receipt; and

(4) Appendix B.I.a(22): The cumulative number of shares of orders canceled from 1 millisecond to less than 100 milliseconds after the time of order receipt.

(b) For purposes of Appendix B.I.a(21) through B.I.a(27), unexecuted Immediate or Cancel orders shall be categorized separately irrespective of the duration of time after order receipt.

.05 For purposes of Appendix B.I.a(31)-(33), the relevant measurement is the time of order receipt.

.06 For purposes of Appendix B, the following order types and numbers shall be included and assigned the following numbers: "not held" orders (18); clean cross orders (19); auction orders (20); and orders that cannot otherwise be classified, including orders received when the NBBO is crossed (21); and limit orders priced more than $0.10 away from the NBBO (22). For purposes of order types 12 – 14 in Appendix B, such order types shall include all orders and not solely "resting" orders.

.07 A Member shall not be deemed a Trading Center for purposes of Appendix B of the Plan where that Member only executes orders otherwise than on a national securities exchange for the purpose of: (i) correcting a bona fide error related to the execution of a customer order; (ii) purchases a security from a customer at a nominal price solely for purposes of liquidating the customer's position; or (iii) completing the fractional share portion of an order.

.08 For purposes of Appendix B.IV, the count of the number of Market Makers used in the calculation of share (trade) participation shall be added to each category. For purposes of Appendix B.IV(b) and (c), share participation and trade participation shall be calculated by using a total count instead of a share-weighted average or a trade-weighted average. For purposes of Appendix B, B.IV(d) (cross-quote share (trade) participation), (e) (inside-the-quote share (trade) participation), (f) (at-the-quote share (trade) participation), and (g) (outside-the-quote share (trade) participation), shall be calculated by reference to the National Best Bid or National Best Offer in effect immediately prior to the trade.

.09 A Trading Center shall begin the data collection required pursuant to Appendix B.I.a(1) through B.II.(y) of the Plan and Item I of Appendix C of the Plan on April 4, 2016. The requirement that the Exchange or their DEA provide information to the SEC within 30 days following month end and make certain data publicly available on the Exchange's or DEA's web site pursuant to Appendix B and C of the Plan shall commence at the beginning of the Pilot Period. Notwithstanding the provisions of paragraphs (b)(2), (b)(3) and (b)(5) of this Rule, with respect to data for the Pre-Pilot Period and Pilot Period, the requirement that the Exchange or their DEA make Appendix B data publicly available on the Exchange's or DEA's website shall commence on April 28, 2017. Notwithstanding the provisions of paragraph (b)(4) of this Rule, the Exchange or DEA shall make Appendix C data for the Pre-Pilot Period through January 2017 publicly available on the Exchange's web site by February 28, 2017.

.10 For purposes of Item I of Appendix C, the Participants shall calculate daily Market Maker realized profitability statistics for each trading day on a daily last in, first out (LIFO) basis using reported trade price and shall include only trades executed on the subject trading day. The daily LIFO calculation shall not include any positions carried over from previous trading days. For purposes of Item I.c of Appendix C, the Participants shall calculate daily Market Maker unrealized profitability statistics for each trading day on an average price basis. Specifically, the Participants must calculate the volume weighted average price of the excess (deficit) of buy volume over sell volume for the current trading day using reported trade price. The gain (loss) of the excess (deficit) of buy volume over sell volume shall be determined by using the volume weighted average price compared to the closing price of the security as reported by the primary listing exchange. In calculating unrealized trading profits, the Participant also shall report the number of excess (deficit) shares held by the Market Maker, the volume weighted average price of that excess (deficit), and the closing price of the security as reported by the primary listing exchange used in reporting unrealized profit.

.11 "Pre-Pilot Data Collection Securities" are the securities designated by the Participants for purposes of the data collection requirements described in Items I, II and IV of Appendix B and Item I of Appendix C of the Plan for the period beginning six months prior to the Pilot Period through thirty-one days prior to the Pilot Period. The Participants shall compile the list of Pre-Pilot Data Collection Securities by selecting all NMS stocks with a market capitalization of $5 billion or less, a Consolidated Average Daily Volume (CADV) of 2 million shares or less and a closing price of $1 per share or more. The market capitalization and the closing price thresholds shall be applied to the last day of the Pre-Pilot measurement period,

and the CADV threshold shall be applied to the duration of the Pre-Pilot measurement period. The Pre-Pilot measurement period shall be the three calendar months ending on the day when the Pre-Pilot Data Collection Securities are selected. The Pre-Pilot Data Collection Securities shall be selected thirty days prior to the commencement of the six-month Pre-Pilot Period.

.12 This Rule shall be in effect during a pilot period to coincide with the pilot period for the Plan (including any extensions to the pilot period for the Plan).

(Adopted by SR-IEX-2016-07 eff. August 4, 2016; amended by SR-IEX-2016-13 eff. September 13, 2016; amended by SR-IEX-2016-16 eff. October 4, 2016; amended by SR-IEX-2016-17 eff. December 6, 2016; amended by SR-IEX-2017-07 eff. March 10, 2017; amended by SR-IEX-2017-22 eff. August 25, 2017; amended by SR-IEX-2019-05 eff. August 9, 2019; amended by SR-IEX-2020-07 eff. June 15, 2020; amended by SR-IEX-2022-04 eff. April 29, 2022).

Rule 11.350. Auctions.

(a) Definitions.

(1) The term "Auction Book" refers to the orders specified below that queue prior to the auction match, and shall mean:

(A) For Opening Auctions (i.e., Opening Auction Book):

(i) On-Open orders;

(ii) Limit orders with a TIF of DAY or GTX; and

(iii) Market orders with a TIF of DAY.

(B) For Closing Auctions (i.e., Closing Auction Book):

(i) On-Close orders.

(C) For IPO Auctions (i.e., IPO Auction Book):

(i) On-Open orders;

(ii) Limit orders with a TIF of DAY, GTX, GTT, SYS, FOK, or IOC; and

(iii) Market orders with a TIF of DAY.

(D) For Halt Auctions (i.e., Halt Auction Book):

(i) On-Open orders queued prior to Regular Market Hours if a Pre-Market Session halt persists through the start of Regular Market Hours and the Halt Auction is scheduled to occur during the Regular Market Session;

(ii) Limit orders with a TIF of GTT, SYS, FOK, or IOC received during the Order Acceptance Period;

(iii) Limit orders with a TIF of DAY received during the Order Acceptance Period within the Regular Market Session, or queued prior to the Regular Market Session for securities that have not traded during the Regular Market Session on that trading day;

(iv) Limit orders with a TIF of GTX received during the Order Acceptance Period within the Regular Market Session or Post-Market Session, or queued prior to the Regular Market Session for securities that have not traded during the Regular Market Session on that trading day;

(v) Market orders with a TIF of FOK or IOC received during the Order Acceptance Period within the Regular Market Session;

(vi) Market orders with a TIF of DAY received during the Order Acceptance Period within the Regular Market Session, or queued prior to the Regular Market Session for securities that have not traded during the Regular Market Session on that trading day; and

(vii) Displayed portions of limit orders on the Continuous Book at the time of the halt dissemination.

(E) For Volatility Auctions (i.e., Volatility Auction Book):

(i) On-Close orders, if an IEX-listed security is paused pursuant to IEX Rule 11.280(e) at or after the Closing Auction Lock-in Time, or the Order Acceptance Period of a Volatility Auction for a security paused before the Closing Auction Lock-in Time pursuant to IEX Rule 11.280(e) would otherwise be extended by the Exchange to a time after the Closing Auction Lock-in Time;

(ii) Limit orders with a TIF of GTX, GTT, SYS, FOK, or IOC received during the Order Acceptance Period;

(iii) Limit orders with a TIF of DAY received during the Order Acceptance Period within Regular Market Hours;

(iv) Market orders with a TIF of FOK, IOC, or DAY received during the Order Acceptance Period within Regular Market Hours; and

(v) Displayed portions of limit orders on the Continuous Book at the time of the pause dissemination.

(2) The term "Auction Eligible Order" shall mean all orders that are eligible for execution in the upcoming auction on the Auction Book and the Continuous Book (collectively, the Order Book) and are not Auction Ineligible Orders; such orders are used by the System to calculate IEX Auction Information and to determine the clearing price of IEX Auctions. For Opening or Closing Auctions, non-displayed buy (sell) orders on the Continuous Book with a resting price (as defined in IEX Rule 11.350(b)(1)(A)(i)) within the Reference Price Range will be priced at the lower (upper) threshold of the Reference Price Range for the purpose of determining the clearing price, but will be ranked and eligible for execution in the Opening or Closing Auction match at the order's resting price. If

the Reference Price Range is a single price, non-displayed buy (sell) orders on the Continuous Book with a resting price above (below) the Reference Price Range will be priced equal to the Reference Price Range for the purpose of determining the clearing price, but will be ranked and eligible for execution in the Opening or Closing Auction match at the order's resting price.

(3) The term "Auction Ineligible Orders" refers to the orders specified below that are not eligible for execution in the auction, and shall mean:

(A) For Opening Auctions:

(i) Pegged orders.

(B) For IPO Auctions:

(i) Pegged orders.

(C) For Halt Auctions:

(i) Pegged orders; and

(ii) Non-displayed interest on the Continuous Book at the time of the halt.

(D) For Volatility Auctions:

(i) Pegged orders; and

(ii) Non-displayed interest on the Continuous Book at the time of the pause.

(4) The term "Continuous Book" shall be in reference to all orders resting on the Order Book that are not on the Auction Book and are available for continuous trading. Market orders and orders with a TIF of IOC or FOK do not rest on the Continuous Book. During the Pre-Market Session, Auction Ineligible Orders queued for the Regular Market Session are not on the Continuous Book. There is no Continuous Book when continuous trading in a security is halted or paused; in the event of a halt or pause, Auction Eligible Orders on the Continuous Book shall be incorporated into the Halt or Volatility Auction Book, as applicable.

(5) The term "Display Only Period" shall be in reference to the period of the time during which IEX disseminates IEX Auction Information for IPO, Halt, and Volatility Auctions. The Display Only Period begins at 10:00 a.m. for an IPO Auction (but is subject to change based on underwriter request), and the start of the Order Acceptance Period for Halt and Volatility Auctions. The Display Only Period shall end when the applicable auction match occurs.

(6) The term "Final Consolidated Last Sale Eligible Trade" shall mean the last trade prior to the end of Regular Market Hours, or where applicable, prior to trading in the security being halted or paused, that is last sale eligible and reported to the Consolidated Tape System ("Consolidated Tape"), rounded to the nearest MPV or Midpoint Price calculated by the System, whichever is closer.

(A) If there is no qualifying Final Consolidated Last Sale Eligible Trade for the current day, the previous official closing price;

(i) If there is no qualifying previous official closing price for a security that is not the subject of an IPO or otherwise being priced pursuant to Rule 11.280(h)(9), the issue price; and

(B) In the case of an IPO or the initial pricing of any other security pursuant to Rule 11.280(h)(9), the issue price.

(7) The term "Final Last Sale Eligible Trade" shall mean the last trade on IEX prior to the end of Regular Market Hours, or where applicable, prior to trading in the security being halted or paused, that is last sale eligible and reported to the Consolidated Tape.

(A) If there is no qualifying Final Last Sale Eligible Trade for the current day, the previous official closing price;

(i) If there is no qualifying previous official closing price for a security that is not the subject of an IPO or otherwise being priced pursuant to Rule 11.280(h)(9), the issue price; and

(B) In the case of an IPO or the initial pricing of any other security pursuant to Rule 11.280(h)(9), the issue price.

(8) The term "Hyper-aggressive Auction Orders" shall mean:

(A) For Opening Auctions, MOO orders and market orders with a TIF of DAY, as well as LOO orders and limit orders with a TIF of DAY or GTX to buy (sell) priced above (below) the latest upper (lower) threshold of the Opening/Closing Auction Collar calculated by the System.

(B) For Closing Auctions, MOC orders and LOC orders to buy (sell) priced above (below) the latest upper (lower) threshold of the Opening/Closing Auction Collar calculated by the System.

(9) The term "IEX Auction Information" shall mean the information disseminated pursuant to Rule 11.330(a) regarding the current status of price, size, imbalance information, auction collar information, and other relevant information related to auctions conducted by the Exchange. IEX Auction Information shall include:

(A) Reference Price: The single price at or within the Reference Price Range at which orders on the Auction Book would match if the IEX Auction were to occur at that time of dissemination. The Reference Price is set to the price that maximizes the number of the shares from orders on the Auction Book to be executed in the auction. If more than one price maximizes the number of shares that will execute resulting in an auction price range, the Reference Price is set to the price at or within such range that is not lower (higher) than the most aggressive unexecuted buy (sell) order. If more than one price satisfies the above conditions, the Reference Price is set to the price closest or equal to either the Volume Based Tie Breaker (if such range includes prices in the Reference Price Range) or the Reference Price Range (if such range does not include prices in the Reference Price Range) at the time of dissemination. In the case of a Halt Auction, the Reference Price shall be the same as the Auction Book Clearing Price.

(B) Paired Shares: The number of shares from orders on the Auction Book that can be matched with other orders on the Auction Book at the Reference Price at the time of dissemination.

(C) Imbalance Shares: The number of shares from orders on the Auction Book that may not be matched with other orders on the Auction Book at the Reference Price at the time of dissemination.

(D) Imbalance Side: The buy/sell direction of any imbalance at the time of dissemination.

(E) Indicative Clearing Price: The single price at or within the Opening/Closing Auction Collar at which Auction Eligible Orders would match if the IEX Auction were to occur at the time of dissemination pursuant to the procedures for determining the clearing price set forth in the applicable auction rule. In the case of an IPO, Halt, or Volatility Auction, the Indicative Clearing Price shall be the same as the Auction Book Clearing Price.

(F) Auction Book Clearing Price: The single price at which orders on the Auction Book would match if the IEX Auction were to occur at the time of dissemination pursuant to the procedures for determining the clearing price set forth in the applicable auction rule, but shall not be constrained by the Opening/Closing Auction Collar, as applicable. If shares from market orders would remain unexecuted, IEX shall disseminate an indicator for "market buy" or "market sell."

(G) Collar Reference Price: Opening/Closing Auction Collar Reference Price for the Opening and Closing Auctions. Volatility Auction Collar Reference Price for the Volatility Auction. For an IPO Auction, the Volume Based Tie Breaker, unless such price is above (below) the most current Upper (Lower) IPO Price Band published by the Exchange pursuant to Rule 11.280(h)(8), in which case the Collar Reference Price shall be equal to the Upper (Lower) IPO Price Band.

(H) Lower Auction Collar: The lower threshold of the Opening/Closing Auction Collar for the Opening and Closing Auctions. The lower threshold of the Volatility Auction Collar for the Volatility Auction. For an IPO Auction, the most current Lower IPO Price Band published by the Exchange pursuant to Rule 11.280(h)(8). If the underwriter has not provided an IPO Price Band to the Exchange for publication, the Lower Auction Collar will be equal to the Volume Based Tie Breaker.

(I) Upper Auction Collar: The upper threshold of the Opening/Closing Auction Collar for the Opening and Closing Auctions. The upper threshold of the Volatility Auction Collar for the Volatility Auction. For an IPO Auction, the most current Upper IPO Price Band published by the Exchange pursuant to Rule 11.280(h)(8). If the underwriter has not provided an IPO Price Band to the Exchange for publication, the Upper Auction Collar will be equal to the Volume Based Tie Breaker.

(J) Scheduled Auction Time: The projected time of the auction match. For an IPO Auction, the projected start time is not specified.

(K) Extension Number: The total number of automatic Order Acceptance Period extensions a Halt or Volatility Auction has received.

(10) The term "IEX Official Closing Price" shall mean the price disseminated by the Exchange to the Consolidated Tape as the market center official close of an IEX-listed security.

(11) The term "IEX Official IPO Opening Price" shall mean the price disseminated by the Exchange to the Consolidated Tape following an IPO Auction as the market center official open for an initial public offering of an IEX-listed security.

(12) The term "IEX Official Opening Price" shall mean the price disseminated by the Exchange to the Consolidated Tape as the market center official open of an IEX-listed security.

(13) The term "IEX Re-opening Trade" shall mean the trade resulting from a Halt Auction or Volatility Auction (conducted prior to the Closing Auction Lock-in Time) that is disseminated by the Exchange to the Consolidated Tape as the market center re-opening trade of an IEX-listed security.

(14) Reserved.

(15) The term "Initial Consolidated Last Sale Eligible Trade" shall mean the first trade during Regular Market Hours that is last sale eligible and reported to the Consolidated Tape, including the Closing Auction.

(A) If there is no qualifying Initial Consolidated Last Sale Eligible Trade for the current day, the previous official closing price will be used.

(16) The term "Initial Last Sale Eligible Trade" shall mean the first trade on IEX during Regular Market Hours that is last sale eligible and reported to the Consolidated Tape, including the Closing Auction.

(A) If there is no qualifying Initial Last Sale Eligible Trade for the current day, the previous official closing price will be used.

(17) The term "Impermissible Price" shall mean, for a Volatility Auction, an indeterminable auction price due to a market order imbalance, or an Indicative Clearing Price higher (lower) than the upper (lower) threshold of the Volatility Auction Collar at the scheduled auction match.

(18) Reserved.

(19) The term "Latest Consolidated Last Sale Eligible Trade" shall mean the last trade immediately prior to trading in the security being halted or paused that is last sale eligible and reported to the Consolidated Tape, rounded to the nearest MPV or Midpoint Price calculated by the System, whichever is closer.

(A) If there is no qualifying Latest Consolidated Last Sale Eligible Trade for the current day, the previous official closing price.

(20) The term "Limit-On-Close" or "LOC" shall mean a limit order that specifically requests execution at the IEX Official Closing Price and is designated for execution in the Closing Auction, or in a Volatility Auction when such auction is determining the IEX Official Closing Price pursuant to Rule 11.350(f)(3). An LOC order submitted as a pegged order will be rejected. An LOC order submitted with a User instructed display quantity pursuant to Rule 11.190(b)(2) will be accepted, but the instruction will not be supported.

(21) The term "Limit-On-Open" or "LOO" shall mean a limit order that specifically requests execution at the IEX Official Opening Price (or the IEX Official IPO Opening Price in the case of an IPO Auction) and is designated for execution in the Opening Auction, IPO Auction, or Halt Auction when queued prior to Regular Market

Hours if a Pre-Market Session halt persists through the start of Regular Market Hours. An LOO order submitted as a pegged order will be rejected. An LOO order submitted with a User instructed display quantity pursuant to Rule 11.190(b)(2) will be accepted, but the instruction will not be supported.

(22) The term "Lock-in Time" shall mean two (2) minutes prior to the Opening Auction match (i.e., 9:28 a.m.), and ten (10) minutes prior to the Closing Auction match (i.e., 3:50 p.m., or 10 minutes prior to the end of the Regular Market Session on days that IEX is subject to an early closing), at which time:

(A) Auction Eligible Orders on the Auction Book may not be canceled or modified prior to the auction match (i.e., locked in);

(B) Hyper-aggressive Auction Orders are rejected upon receipt; and

(C) IEX begins to disseminate IEX Auction Information.

(23) The term "Lock-out Time" shall mean ten (10) seconds prior to the Opening and Closing Auction match, at which time any new Auction Eligible Order otherwise eligible for the Auction Book is restricted from entering the Auction Book and is rejected upon receipt (i.e., locked out). Orders must be on the Auction Book prior to the Lock-out Time to guarantee eligibility for the auction. Orders submitted to the Continuous Book after the Lock-out Time remain eligible for execution on the Continuous Book, and in the upcoming Opening or Closing Auction match.

(24) The term "Market-On-Close" or "MOC" shall mean a market order that specifically requests execution at the IEX Official Closing Price and is designated for execution in the Closing Auction, or in a Volatility Auction when such auction is determining the IEX Official Closing Price pursuant to Rule 11.350(f)(3). An MOC order submitted as a pegged order will be rejected. An MOC order submitted with a User instructed display quantity pursuant to Rule 11.190(b)(2) will be accepted, but the instruction will not be supported.

(25) The term "Market-On-Open" or "MOO" shall mean a market order that specifically requests execution at the IEX Official Opening Price (or the IEX Official IPO Opening Price in the case of an IPO Auction) and is designated for execution in the Opening Auction, IPO Auction, or Halt Auction when queued prior to Regular Market Hours if a Pre-Market Session halt persists through the start of Regular Market Hours. An MOO order submitted as a pegged order will be rejected. An MOO order submitted with a User instructed display quantity pursuant to Rule 11.190(b)(2) will be accepted, but the instruction will not be supported.

(26) The term "Maximum Percentage" will vary depending on the midpoint of the Protected NBBO ("Protected Midpoint Price"), and shall mean:

(A) 5% if the Protected Midpoint Price is less than or equal to $25.00;

(B) 2.5% if the Protected Midpoint Price is greater than $25.00 but less than or equal to $50.00; or

(C) 1.5% if the Protected Midpoint Price is greater than $50.00.

(27) The term "Opening/Closing Auction Collar" shall mean, collectively, the upper and lower threshold prices at or within which the Opening and Closing Auction match must occur. The Opening/Closing Auction Collar is established by taking the greater of fifty cents ($0.50) or a default threshold percentage of ten percent

(10%) applied to the Opening/Closing Auction Collar Reference Price, which shall be added to (subtracted from) the Protected NBO (NBB) to establish the upper (lower) threshold of the Opening/Closing Auction Collar.

(A) If the Protected NBBO is crossed, the greater of fifty cents ($0.50) or a default threshold percentage of ten percent (10%) applied to the Opening/Closing Auction Collar Reference Price, shall be added to (subtracted from) the IEX best offer (bid) to establish the upper (lower) threshold of the Opening/Closing Auction Collar.

(B) If the Protected NBBO, or, when utilized, the IEX best bid and best offer ("IEX BBO"), is not two-sided, the greater of fifty cents ($0.50) or a default threshold percentage of ten percent (10%) applied to the Opening/Closing Auction Collar Reference Price, shall be added to (subtracted from) the Opening/Closing Auction Collar Reference Price to establish the upper (lower) threshold of the Opening/Closing Auction Collar.

(28) The term "Opening/Closing Auction Collar Reference Price" shall be the Volume Based Tie Breaker.

(29) The term "Order Acceptance Period" shall be in reference to the period of time during which IEX accepts orders submitted for participation in an IPO, Halt, or Volatility Auction. The Order Acceptance Period shall end when the applicable auction match occurs. The Order Acceptance Period shall begin:

(A) For an IPO Auction, 8:00 a.m., but is subject to change;

(B) For a Halt Auction, five (5) minutes prior to the scheduled auction match, or immediately after a Level 1 or Level 2 Market Decline pursuant to Rule 11.280(a)(1)-(3); and

(C) For a Volatility Auction, immediately after the pause dissemination.

(30) The term "Reference Price Range" is in reference to, for a Volatility Auction, the prices between and including the applicable Volatility Auction Collar, or, for an Opening or Closing Auction, the prices between and including the Protected NBB and Protected NBO for a particular security where the Protected NBBO is a Valid Protected NBBO. For an IPO Auction, the Reference Price Range is in reference to the prices between and including the most current IPO Price Band published by the Exchange. If the underwriter has not provided an IPO Price Band to the Exchange for publication, the Reference Price Range will be equal to the Volume Based Tie Breaker.

(A) The Protected NBBO is a "Valid Protected NBBO" where:

(i) There is both a Protected NBB and Protected NBO for the security;

(ii) The Protected NBBO is not crossed; and

(iii) The midpoint of the Protected NBBO is less than or equal to the Maximum Percentage away from both the Protected NBB and the Protected NBO.

(B) Where the Protected NBBO is not a Valid Protected NBBO, the IEX BBO will be used where the IEX BBO is a Valid IEX BBO.

(i) The IEX BBO is a "Valid IEX BBO" where:

(a) There is both an IEX best bid and an IEX best offer for the security; and

(b) The midpoint of the IEX BBO is less than or equal to the Maximum Percentage away from both the IEX best bid and the IEX best offer.

(C) If there is neither a Valid Protected NBBO nor a Valid IEX BBO and the market is one-sided, the Reference Price Range shall be equal to the price of the Final Consolidated Last Sale Eligible Trade, unless such price is:

(i) Lower than the Protected NBB, in which case the Reference Price Range shall be equal to the price of the Protected NBB; or

(ii) Higher than the Protected NBO, in which case the Reference Price Range shall be equal to the price of the Protected NBO.

(D) If there is neither a Valid Protected NBBO nor a Valid IEX BBO and the market is two-sided, the Reference Price Range shall be equal to the price of the Final Consolidated Last Sale Eligible Trade, unless:

(i) The Protected NBBO is not crossed and the price of the Final Consolidated Last Sale Eligible Trade is either:

(a) Lower than the Protected NBB, in which case the Reference Price Range shall be equal to the price of the Protected NBB; or

(b) Higher than the Protected NBO, in which case the Reference Price Range shall be equal to the price of the Protected NBO.

(ii) The Protected NBBO is crossed and the price of the Final Consolidated Last Sale Eligible Trade is either:

(a) Lower than the IEX best bid, in which case the Reference Price Range shall be equal to the price of the IEX best bid; or

(b) Higher than the IEX best offer, in which case the Reference Price Range shall be equal to the price of the IEX best offer.

(E) If there is neither a Protected NBBO nor an IEX BBO (i.e., a zero-sided market), the Reference Price Range will be the Final Consolidated Last Sale Eligible Trade.

(31) The term "Volatility Auction Collar" represents the range of prices at or within which the Volatility Auction match can occur, and shall mean:

(A) If the Volatility Auction Collar Reference Price is the Lower (Upper) Price Band, the initial lower (upper) threshold of the Volatility Auction Collar is 5% less (greater) than the Volatility Auction Collar Reference

Price, rounded to the nearest passive MPV, and the upper (lower) threshold of the Volatility Auction Collar is the Upper (Lower) Price Band; or

(B) For securities with a Volatility Auction Collar Reference Price of $3.00 or less, the initial lower (upper) threshold of the Volatility Auction Collar is $0.15 less (greater) than the Volatility Auction Collar Reference Price, rounded to the nearest passive MPV and the upper (lower) threshold of the Volatility Auction Collar is the Upper (Lower) Price Band.

(32) The term "Volatility Auction Collar Reference Price" shall mean the reference price for calculating the applicable Volatility Auction Collar, and shall equal the price of the Upper or Lower Price Band that triggered the LULD trading pause.

(33) The term "Volume Based Tie Breaker" shall mean, for an Opening or Closing Auction, the midpoint of the Reference Price Range. In an Opening or Closing Auction, when the Reference Price Range is equal to the IEX BBO for Pilot Securities in Test Groups 2 and 3 of the Tick Size Pilot Program, the Volume Based Tie Breaker will be rounded to the nearest MPV. If the Reference Price Range is a single price, the Volume Based Tie Breaker shall be equal to the Reference Price Range. In the case of a Halt Auction, or Volatility Auction that is not determining the IEX Official Closing Price, the Volume Based Tie Breaker shall be equal to the Latest Consolidated Last Sale Eligible Trade. In the case of a Volatility Auction that is determining the IEX Official Closing Price, the Volume Based Tie Breaker shall be equal to the Final Consolidated Last Sale Eligible Trade. In the case of an IPO Auction, the Volume Based Tie Breaker shall be equal to the issue price.

• • • Supplementary Material • • •

.01 Opening/Closing Auction Collar

For example, if the Protected NBBO is $10.00 x $11.00, then the Opening/Closing Auction Collar Reference Price equals $10.50 and the threshold percentage is 10%, resulting in a threshold value of $1.05 (10% of $10.50 = $1.05). This threshold value is then added to the Protected NBO and subtracted from the Protected NBB to obtain the auction's Opening/Closing Auction Collar. In this example, it would result in a lower threshold of $8.95 ($10.00 - $1.05 = $8.95) and an upper threshold of $12.05 ($11.00 + $1.05 = $12.05), thus creating a range of $8.95 to $12.05, within which the auction can occur. This means $8.95 is the lowest price at which the auction can occur and $12.05 is the highest price at which it can occur. The Opening/Closing Auction Collar is dynamic; as the Protected NBBO changes, the Opening/Closing Auction Collar updates to reflect such changes.

.02 Volatility Auction Collar

For example, if the Lower and Upper Price Bands are $10.00 and $11.00, respectively, and a pause is triggered following a Limit State at the Lower Price Band, the Volatility Auction Collar Reference Price would be equal to the Lower Price Band, $10.00. The lower threshold of the Volatility Auction Collar ("lower Volatility Auction Collar") would be calculated by subtracting 5% of the Volatility Auction Collar Reference Price, or $0.50 (5% of $10.00 = $0.50), from the Volatility Auction Collar Reference Price. The upper threshold of the Volatility Auction Collar ("upper Volatility Auction Collar") would be equal to the Upper Price Band. In this example, it would result in a lower Volatility Auction Collar of $9.50 ($10.00 - $0.50 = $9.50) and an upper Volatility Auction Collar of $11.00, thus creating a range of $9.50 to $11.00, within which the Volatility Auction can occur. This means $9.50 is the lowest price at which the Volatility Auction can occur and $11.00 is the highest price at which it can occur.

In this example, if the pause was triggered at 12:00 p.m., the above calculated Volatility Auction Collar would be in effect during the initial Order Acceptance Period from 12:00 until 12:05 p.m. To continue the example, if the Indicative Clearing Price was above the upper Volatility Auction Collar at the time of the scheduled auction match, 12:05 p.m., then the Volatility Auction would receive an extension of

5 minutes (the "Initial Extension Period") and the upper Volatility Auction Collar would be updated by adding $0.50 to the upper Volatility Auction Collar (which is equal to 5% of the original Volatility Auction Reference Price of $10.00). The lower Volatility Auction Collar remains unchanged. In this example, it would result in an upper Volatility Auction Collar of $11.50 ($11.00 + $0.50 = $11.50) and a lower Volatility Auction Collar of $9.50, thus creating a range of $9.50 to $11.50, within which the Volatility Auction can now occur. This means $9.50 is the lowest price at which the Volatility Auction can occur and $11.50 is the highest price at which it can now occur at the next scheduled auction match 5 minutes from now, at 12:10 p.m.

Furthermore, continuing the example, if the Indicative Clearing Price was below the lower Volatility Auction Collar at the time of the scheduled auction match of 12:10 p.m., then the Volatility Auction would receive an extension of 5 minutes (an "Additional Extension Period") and the lower Volatility Auction Collar would be updated by subtracting $0.50 from the lower Volatility Auction Collar (which is equal to 5% of the original Volatility Auction Reference Price of $10.00). In this example, it would result in a lower Volatility Auction Collar of $9.00 ($9.50 - $0.50 = $9.00) and an upper Volatility Auction Collar of $11.50, thus creating a range of $9.00 to $11.50 within which the Volatility Auction can now occur. This means $9.00 is the lowest price at which the Volatility Auction can occur and $11.50 is the highest price at which it can now occur, and the Exchange shall attempt to conduct a Volatility Auction every one (1) second during the course of each Additional Extension Period until the clearing price falls at or within the Volatility Auction Collar.

.03 Eligibility of Market Orders and Limit Orders with a TIF of DAY Outside Regular Market Hours

If a Volatility Auction originally scheduled to occur during Regular Market Hours receives an automatic extension which causes the auction to occur in the Post-Market Session, limit orders with a TIF of DAY and market orders which were submitted during the Order Acceptance Period within Regular Market Hours are included and are only canceled by the System after the auction match or if the auction is extended to the end of Post-Market Hours.

(b) IEX Auction Priority.

(1) Orders resting on the Order Book shall be ranked and maintained for the Opening, Closing, IPO, Halt, and Volatility Auction based on the following priority:

(A) Price. The best priced Auction Eligible Order (the highest priced resting order to buy or the lowest priced resting order to sell) has priority over all other orders to buy (or orders to sell) in all cases. Market orders have precedence over limit orders.

(i) Resting Price. Auction Eligible Orders resting on the Continuous Book are ranked by the price at which they are resting on the Continuous Book; Auction Eligible Orders resting on the Auction Book are ranked by the limit price defined by the User, if any (in either case, the order's "resting price"), as follows:

(a) Midpoint peg orders are ranked and eligible for execution in the Closing Auction at the less aggressive of the Midpoint Price or the order's limit price, if any.

(b) Primary peg orders are ranked and eligible for execution in the Closing Auction at the less aggressive of one (1) MPV below (above) the NBB (NBO) for buy (sell) orders or the order's limit price, if any, but may exercise price discretion up (down) to the auction match price, subject to the less aggressive of the NBB (NBO) or the order's limit price, if any, except during periods of quote instability, as defined in IEX Rule 11.190(g). When exercising price discretion, primary peg orders are ranked behind any non-displayed interest at the auction match price for the duration of the Closing Auction. If multiple

primary peg orders are exercising price discretion during the Closing Auction, they maintain their relative time priority at the auction match price.

(c) Discretionary Peg orders are ranked and eligible for execution in the Closing Auction at the less aggressive of one (1) MPV below (above) the NBB (NBO) for buy (sell) orders or the order's limit price, if any, but may exercise price discretion up (down) to the auction match price, subject to the less aggressive of the Midpoint Price or the order's limit price, if any, except during periods of quote instability, as defined in IEX Rule 11.190(g). When exercising price discretion, Discretionary Peg orders are ranked behind any non-displayed interest at the auction match price for the duration of the Closing Auction. If multiple Discretionary Peg orders are exercising price discretion during the Closing Auction, they maintain their relative time priority at the auction match price.

(d) Non-displayed limit orders and non-displayed portions of reserve orders on the Continuous Book are ranked and eligible for execution in the Opening/Closing Auction at the less aggressive of the Midpoint Price or the order's limit price.

(e) Displayed limit orders on the Continuous Book are ranked and eligible for execution in the Opening/Closing Auction at the order's resting price.

(f) Limit orders, including LOO and LOC orders, on the Auction Book are ranked and eligible for execution in an auction at the order's limit price.

(ii) Halt or Volatility Auction. Displayed portions of limit orders on the Continuous Book at the time of a halt or pause dissemination are ranked on the Auction Book by the price at which such orders were resting on the Continuous Book at the time of the halt or pause dissemination.

(B) Display. Equally priced Auction Eligible Orders are ranked by display priority.

(i) On-Open and On-Close orders are ranked with display priority.

(ii) Limit orders with a TIF of IOC or FOK are ranked with display priority.

(iii) Displayed orders (including On-Open and On-Close orders) and displayed portions of orders on the Auction Book and Continuous Book will have precedence over non-displayed orders and non-displayed portions of orders on the Auction Book and Continuous Book at a given price.

(C) Time. Equally priced Auction Eligible Orders with the same display priority are ranked in time priority.

(i) Where orders to buy (or sell) are ranked at the same price with the same display priority, the oldest order at such price and display shall have precedence at that price and display. Orders are ranked by the time at which they are posted to the Order Book at a given price, the first to be posted at a given price being the oldest. Orders maintain their time priority once booked until one of the following occur, at which time the order will receive a new timestamp:

(a) An order on the Auction Book is incremented by the User;

(b) An order on the Auction Book is re-priced by the User;

(c) Minimum Quantity for an order on the Auction Book is amended by the User; or

(d) Any one of the events specified in IEX Rule 11.220(a)(1)(C) occurs to an order on the Continuous Book.

(c) Opening Auction.

(1) Order Entry and Cancellation Before Opening Auction

(A) Users may submit orders to the Exchange at the beginning of the Pre-Market Session for participation in the Opening Auction. Any orders designated for the Opening Auction Book will be queued until the Opening Auction match. Auction Ineligible Orders that may rest on the Order Book will be queued and maintained prior to the auction match in accordance with Rule 11.220(a)(1); Auction Ineligible Orders with a TIF of IOC or FOK will be rejected prior to the auction match.

(B) Between the Opening Auction Lock-in Time and the Opening Auction match, orders on the Opening Auction Book may not be canceled or modified, and Hyper-aggressive Auction Orders submitted to the Exchange will be rejected upon entry.

(C) Orders eligible for the Opening Auction Book received by the Exchange between the Opening Auction Lock-out Time and the Opening Auction match will be rejected.

(D) Orders on the Continuous Book and Auction Ineligible Orders may continue to be entered and canceled or modified at any time prior to execution.

(2) Opening Auction Process. The Exchange will conduct an Opening Auction for all IEX-listed securities.

(A) Publication of IEX Auction Information. Beginning at the Opening Auction Lock-in Time, and updated every one second thereafter, IEX Auction Information associated with the Opening Auction will be disseminated via electronic means.

(B) Determination of IEX Official Opening Price. The IEX Official Opening Price will be the price of the Opening Auction. In the event that there is no Opening Auction for an IEX-listed security, the security will be released for trading pursuant to section (3) below, and the IEX Official Opening Price will be the price of the Initial Last Sale Eligible Trade.

(i) The Opening Auction shall occur at the price that maximizes the number of shares of Auction Eligible Orders to be executed;

(ii) If more than one price exists under subparagraph (i) resulting in an auction price range, the Opening Auction shall occur at the price at or within such range that is not lower (higher) than the most aggressive unexecuted buy (sell) order;

(iii) If more than one price exists under subparagraph (ii), the Opening Auction shall occur at the price closest or equal to the Volume Based Tie Breaker; and

(iv) If the Opening Auction price established by subparagraphs (i) through (iii) is below (above) the lower (upper) threshold of the Opening/Closing Auction Collar in the Opening Auction, the IEX Official Opening Price will be the price at or within the range of prices between the lower (upper) threshold of the Opening/Closing Auction Collar and the lower (upper) threshold of the Reference Price Range that best satisfies the conditions of subparagraphs (i) through (iii).

(C) Execution Priority. Opening Auction execution priority occurs in accordance with IEX Auction Priority as described in section (b) above. Market and MOO orders have priority over all other Auction Eligible Orders, and to the extent there is executable contra side interest, such market and MOO orders will execute at the IEX Official Opening Price in accordance with time priority. After the execution of all market and MOO orders, the remaining Auction Eligible Orders with a resting price more aggressive than the IEX Official Opening Price will be executed in price – display – time priority at the IEX Official Opening Price. All remaining Auction Eligible Orders with a resting price equal to the IEX Official Opening Price shall execute in display – time priority at the IEX Official Opening Price. All AIQ modifiers as defined in Rule 11.190(e), and Minimum Quantity instructions as defined in Rule 11.190(b)(11), will not be supported in the Opening Auction, but will be enforced on all unexecuted shares released to the Continuous Book following the Opening Auction match.

(D) Pre-Market Session Halt. If an IEX-listed security is subject to a Pre-Market Session halt, all orders on the Opening Auction Book will remain open. Users may resume submission of new or modifications to existing Auction Eligible Orders for the halted security during the Order Acceptance Period. Users may cancel open Auction Eligible Orders at any time during the halt. If a halt persists through the start of Regular Market Hours, no Opening Auction will occur, orders on the Opening Auction Book will become part of the Halt Auction Book, and the Halt Auction will determine the IEX Official Opening Price in accordance with Rule 11.350(e) below.

(E) The Halt Auction will determine the IEX Official Opening Price for an IEX-listed security pursuant to Rule 11.350(e) below if a Halt Auction is scheduled to occur during the Regular Market Session, and IEX has not determined an IEX Official Opening Price due to:

(i) An overnight trading halt; or

(ii) A lack of crossing interest during the Opening Auction, there is no Initial Last Sale Eligible Trade, and the security is subsequently halted.

(F) The Volatility Auction will determine the IEX Official Opening Price for an IEX-listed security pursuant to Rule 11.350(f) below if IEX has not determined an IEX Official Opening Price due to:

(i) A lack of crossing interest during the Opening Auction, there is no Initial Last Sale Eligible Trade, and the security is subsequently paused.

(3) Transition to Regular Market Session.

(A) LOO, MOO, and market orders that are not fully executed at the conclusion of the Opening Auction will be canceled immediately after the Opening Auction match. Limit orders to buy (sell) with a TIF of DAY or GTX and a limit price above (below) the upper (lower) threshold of the Opening/Closing Auction Collar that are not fully executed at the conclusion of the Opening Auction will be canceled immediately after the Opening Auction match;

(B) All remaining shares from Auction Eligible Orders that are not canceled by the System immediately after the Opening Auction match, along with all Auction Ineligible Orders queued for trading in the Regular Market Session, shall be released to the Continuous Book for trading in the Regular Market Session, subject to the orders' instructions; and

(C) Routable orders that are released to the Continuous Book will be routed in accordance with IEX Rule 11.230(c)(3) (Re-Sweep Behavior), subject to the orders' instructions.

(4) Opening Auction Contingency Procedures.

(A) When a disruption occurs that prevents the execution of the Opening Auction as set forth above, IEX shall apply the following Opening Auction Contingency Procedures:

(i) IEX will publicly announce that no Opening Auction will occur. The price of the Initial Consolidated Last Sale Eligible Trade will be used for the IEX Official Opening Price. The IEX Official Opening Price will be published to the Consolidated Tape. All orders on the Order Book will be canceled, and IEX will open the security for trading without an auction.

(ii) If a security's IEX Official Opening Price cannot be determined based on this procedure, IEX will not publish an IEX Official Opening Price for the security.

(iii) The Regular Market Session shall begin either as scheduled, or upon resolution of the disruption that triggered IEX to operate the Opening Auction Contingency Procedures.

(d) Closing Auction.

(1) Order Entry and Cancellation Before Closing Auction

(A) Users may submit orders to the Exchange at the beginning of the Pre-Market Session, or at the beginning of the Order Acceptance Period for an IPO Auction, for participation in the Closing Auction. Any MOC and LOC orders designated for the Closing Auction Book will be queued until the Closing Auction match.

(B) Between the Closing Auction Lock-in Time and the Closing Auction match, orders on the Closing Auction Book may not be canceled or modified, and Hyper-aggressive Auction Orders submitted to the Exchange will be rejected upon entry.

(C) Between the Closing Auction Lock-in Time and five (5) minutes before the Closing Auction match (e.g., 3:55 p.m.), On-Close orders can be canceled only if the User requests that IEX correct a legitimate error in the order (e.g., side, size, symbol, price, or duplication of an order). On-Close orders cannot be

canceled or modified at or after five (5) minutes before the Closing Auction match (e.g., 3:55 p.m.) for any reason.

(D) Orders eligible for the Closing Auction Book received by the Exchange between the Closing Auction Lock-out Time and the Closing Auction match will be rejected.

(E) Orders on the Continuous Book may continue to be entered and canceled or modified at any time prior to execution.

(2) Closing Auction Process. The Exchange will conduct a Closing Auction for all IEX-listed securities.

(A) Publication of IEX Auction Information. At the beginning of the Closing Auction Lock-in Time, and updated every one second thereafter, IEX Auction Information associated with the Closing Auction will be disseminated via electronic means.

(B) Determination of IEX Official Closing Price. The IEX Official Closing Price will be the price of the Closing Auction. In the event that there is no Closing Auction for an IEX-listed security, the IEX Official Closing Price will be the price of the Final Last Sale Eligible Trade, and the security will be released for trading pursuant to section (3) below.

(i) The Closing Auction shall occur at the price that maximizes the number of shares of Auction Eligible Orders to be executed;

(ii) If more than one price exists under subparagraph (i) resulting in an auction price range, the Closing Auction shall occur at the price at or within such range that is not lower (higher) than the most aggressive unexecuted buy (sell) order;

(iii) If more than one price exists under subparagraph (ii), the Closing Auction shall occur at the price closest or equal to the Volume Based Tie Breaker; and

(iv) If the Closing Auction price established by subparagraphs (i) through (iii) is below (above) the lower (upper) threshold of the Opening/Closing Auction Collar in the Closing Auction, the IEX Official Closing Price will be the price at or within the range of prices between the lower (upper) Opening/Closing Auction Collar and the lower (upper) threshold of the Reference Price Range that best satisfies the conditions of subparagraphs (i) through (iii).

(C) Execution Priority. Closing Auction execution priority occurs in accordance with IEX Auction Priority as described in section (b) above. MOC orders have priority over all other Auction Eligible Orders, and to the extent there is executable contra side interest, such MOC orders will execute at the IEX Official Closing Price in accordance with time priority. After the execution of all MOC orders, the remaining Auction Eligible Orders with a resting price more aggressive than the IEX Official Closing Price will be executed in price – display – time priority at the IEX Official Closing Price. All remaining Auction Eligible Orders with a resting price equal to the IEX Official Closing Price shall execute in display – time priority at the IEX Official Closing Price. All AIQ modifiers as defined in Rule 11.190(e), and Minimum Quantity instructions as defined in Rule 11.190(b)(11), will not be supported in the Closing Auction, but will be

enforced on all unexecuted shares released to the Continuous Book following the Closing Auction match.

(D) If a halt is disseminated in an IEX-listed security prior to the Closing Auction, all orders on the Auction Book will remain open. Users may resume submission of new or modifications to existing Auction Eligible Orders for the halted security during the Order Acceptance Period. Users may cancel open Auction Eligible Orders at any time during the halt. If a halt persists through the end of Regular Market Hours, no Closing Auction will occur, all On-Open orders, On-Close orders, pegged orders, market orders, and limit orders with a TIF of DAY will be canceled at the conclusion of Regular Market Hours, and the Final Last Sale Eligible Trade will be the IEX Official Closing Price. However, where an IEX-listed security is paused pursuant to IEX Rule 11.280(e) at or after the Closing Auction Lock-in Time, or the Order Acceptance Period of a Volatility Auction for a security paused before the Closing Auction Lock-in Time pursuant to IEX Rule 11.280(e) would otherwise be extended by the Exchange to a time after the Closing Auction Lock-in Time, On-Close orders are added to the Volatility Auction and such auction will be used to determine the IEX Official Closing Price for the subject security at the conclusion of Regular Market Hours in accordance with Rule 11.350(f)(3) below.

(3) Transition to Post-Market Session.

(A) LOC, MOC, and pegged orders, as well as limit orders with a TIF of DAY that are not fully executed at the conclusion of the Closing Auction will be canceled immediately after the Closing Auction match;

(B) All remaining shares from Auction Eligible Orders that are not canceled immediately by the System after the Closing Auction match will be released to the Continuous Book for trading in the Post-Market Session, subject to the orders' instructions; and

(C) Routable orders that are released to the Continuous Book will be routed in accordance with IEX Rule 11.230(c)(3) (Re-Sweep Behavior), subject to the orders' instructions.

(4) Closing Auction Contingency Procedures.

(A) When a disruption occurs that prevents the execution of the Closing Auction as set forth above, IEX shall apply either the Primary Closing Auction Contingency Procedures pursuant to this paragraph (A), or the Secondary Closing Auction Contingency Procedures pursuant to paragraph (B) below. IEX will employ the Primary Closing Auction Contingency Procedures if at all possible, and it will employ the Secondary Closing Auction Contingency Procedures only if it determines that both the standard procedures and the Primary Closing Auction Contingency Procedures are unavailable. The determination to employ Primary or Secondary Closing Auction Contingency Procedures will be based upon all available information including the type of disruption, the system or sub-system disrupted, the availability of testing and diagnostic data, and observed Member and market impact. The determination to implement Primary or Secondary Closing Auction Contingency Procedures shall be made by the President of IEX or a senior level employee designated by the President. If such a disruption occurs, IEX shall publicly announce at the earliest possible time the initiation of Primary or Secondary Closing Auction Contingency procedures via system status alerts and email notification directories. If IEX determines to initiate the Primary Closing Auction Contingency Procedures, the following Provisions shall apply:

(i) IEX will publicly announce that no Closing Auction will occur. The price of the Final Consolidated Last Sale Eligible Trade will be used for the IEX Official Closing Price. The IEX Official Closing Price will be published to the Consolidated Tape. IEX will execute orders on the Closing Auction Book at the IEX Official Closing Price to the extent executable buy and sell interest exists on the Closing Auction Book. All remaining orders on the Order Book will be canceled at the conclusion of the contingency process. IEX will report the resulting execution to the Consolidated Tape and deliver execution reports to Users. If a security's IEX Official Closing Price cannot be determined by this subsection, IEX will not publish an IEX Official Closing Price for the security and will cancel all orders on the Order Book. The Post Market Session shall begin either as scheduled, or upon resolution of the disruption that triggered IEX to operate the Primary Contingency Procedures.

(B) Secondary Closing Auction Contingency Procedures. When a determination to implement Secondary Closing Auction Contingency Procedures has been made by the President of IEX or a senior level employee designated by the President pursuant to paragraph (A) above, IEX shall publicly announce this determination at the earliest possible time via system status alerts and email notification directories. The following procedures shall apply:

(i) If IEX determines to follow Secondary Closing Auction Contingency Procedures for one or more securities at or before 3:00 p.m., IEX shall cancel all open orders on the Order Book in the impacted securities to give Members the opportunity to route their orders to alternative execution venues. IEX will designate an alternate exchange, and the IEX Official Closing Price for those securities will be determined in accordance with the following procedures:

(a) The IEX Official Closing Price will be the official closing price established for the security under the rules of the designated back-up exchange;

(b) If there is no official closing price in a security on the designated back-up exchange, the IEX Official Closing Price will be the volume weighted average price ("VWAP") of the last sale eligible trades reported to the Consolidated Tape during the last five (5) minutes of Regular Market Hours on that trading day, including any closing transactions on an exchange and any trade breaks or corrections up to the time the VWAP is processed;

(c) If there are no last sale eligible trades reported to the Consolidated Tape during the last five (5) minutes of Regular Market Hours, the IEX Official Closing Price of such security will be the Final Consolidated Last Sale Eligible Trade for the security on that trading day;

(d) If there were no last sale eligible trades reported to the Consolidated Tape on that trading day, the IEX Official Closing Price will be the previous official closing price;

(e) If a security's IEX Official Closing Price cannot be determined under subsection (a), (b), (c), and (d) above, IEX will not publish an IEX Official Closing Price for the security; and

(f) The Post Market Session shall begin either as scheduled, or upon resolution of the disruption that triggered IEX to operate the Secondary Contingency Procedures.

(ii) If IEX determines to follow Secondary Closing Auction Contingency Procedures for one or more securities after 3:00 p.m., IEX shall cancel all open orders on the Order Book in the impacted securities to give Members the opportunity to route their orders to alternative execution venues, and the IEX Official Closing Price for those securities will be:

(a) The IEX Official Closing Price will be the VWAP of the last sale eligible trades reported to the Consolidated Tape during the last five (5) minutes of Regular Market Hours on that trading day, including any closing transactions on an exchange and any trade breaks or corrections up to the time the VWAP is processed;

(b) If there are no last sale eligible trades reported to the Consolidated Tape during the last five (5) minutes of Regular Market Hours, the IEX Official Closing Price of such security will be the Final Consolidated Last Sale Eligible Trade for the security on that trading day;

(c) If there were no last sale eligible trades reported to the Consolidated Tape on that trading day, the IEX Official Closing Price will be the previous official closing price;

(d) If a security's IEX Official Closing Price cannot be determined under subsection (a), (b), and (c) above, IEX will not publish an IEX Official Closing Price for the security; and

(e) The Post Market Session shall begin either as scheduled, or upon resolution of the disruption that triggered IEX to operate the Secondary Contingency Procedures.

(e) IPO and Halt Auctions. For trading in an IEX-listed security in an initial public offering (an "IPO"), or the initial pricing of any other security pursuant to Rule 11.280(h)(9), the Exchange will conduct an IPO Auction, as described below. Following a trading halt in an IEX-listed security pursuant to IEX Rule 11.280(g)(1), (4), or (5), the Exchange will conduct a Halt Auction, as described below.

(1) Order Entry and Cancellation Before an IPO or Halt Auction.

(A) Users may submit Auction Eligible Orders to the Exchange at the beginning of the Order Acceptance Period for participation in an IPO or Halt Auction. All Auction Eligible Orders associated with an IPO or Halt Auction will be queued until the applicable auction match. All orders associated with an IPO or Halt Auction must be received prior to the auction match in order to be eligible to execute in the auction. Auction Ineligible Orders that may rest on the Order Book will be queued and maintained during the Order Acceptance Period in accordance with Rule 11.220(a)(1); Auction Ineligible Orders with a TIF of IOC or FOK will be rejected prior to the auction match.

(B) Auction Eligible Orders associated with an IPO or Halt Auction may be canceled or modified at any time prior to the auction match.

(C) At the conclusion of Regular Market Hours, On-Open orders, On-Close orders, pegged orders, market orders, and limit orders with a TIF of DAY will be canceled automatically by the System.

(D) In the event the Exchange cannot complete an IPO or Halt Auction before the end of Post-Market Hours, all open orders in the subject security on the Order Book will be canceled.

(2) IPO and Halt Auction Process.

(A) Publication of IEX Auction Information. At the start of the Display Only Period for a security and updated every one second thereafter, IEX Auction Information associated with the IPO or Halt Auction will be disseminated via electronic means.

(B) Extending the Order Acceptance Period. The Order Acceptance Period will be extended:

(i) Automatically for one (1) minute for a Halt Auction when there are unmatched shares from market orders on the Auction Book associated with the auction at the time of the auction match;

(ii) Automatically for one (1) minute for a Halt Auction when the Indicative Clearing Price differs by the greater of five percent (5%) or fifty cents ($0.50) from any of the previous fifteen (15) Indicative Clearing Price disseminations at the time of the auction match;

(iii) Automatically in an IPO Auction when the conditions set forth in Rule 11.280(h)(8)(C) are not satisfied, until all such conditions are satisfied; or

(iv) Manually for an IPO Auction upon request for an extension from the underwriter.

(C) Determination of IEX IPO Opening Price and IEX Re-opening Trade. The IPO Auction price will be the IEX Official IPO Opening Price. The execution resulting from the Halt Auction will be the IEX Re-opening Trade. If there is insufficient trading interest in the System to execute a Halt Auction for that security, no Halt Auction will occur, and the security will be released for trading pursuant to section (3) below. Pursuant to Rule 11.350(c)(2)(D) or (E), as applicable, if IEX has not determined the IEX Official Opening Price for an IEX-listed security, and the Halt Auction is scheduled to occur during the Regular Market Session, the IEX Official Opening Price will be the price of the Halt Auction. If there is insufficient trading interest to complete the Halt Auction, the transition to the Regular Market Session shall be conducted pursuant to Rule 11.350(e)(3) below, no auction will occur, and the IEX Official Opening Price will be the price of the Initial Last Sale Eligible Trade.

(i) The auction shall occur at the price that maximizes the number of shares of Auction Eligible Orders to be executed;

(ii) If more than one price exists under subparagraph (i) resulting in an auction price range, the auction shall occur at the price at or within such range that is not lower (higher) than the most aggressive unexecuted buy (sell) order; and

(iii) If more than one price exists under subparagraph (ii), the auction shall occur at the price closest or equal to the Volume Based Tie Breaker.

(iv) If the IPO Auction price established by subparagraphs (i) through (iii) meets the condition for extending the Order Acceptance Period described in Rule 11.350(e)(2)(B)(iii), the Order Acceptance Period shall be extended accordingly; or

(v) If the Halt Auction price established by subparagraphs (i) through (iii) meets the conditions for extending the Order Acceptance Period described in Rule 11.350(e)(2)(B)(i)-(ii), the Order Acceptance Period shall be extended accordingly.

(D) Execution Priority. IPO and Halt Auction execution priority occurs in accordance with IEX Auction Priority as described in section (b) above. Market and MOO orders have priority over all other Auction Eligible Orders in an IPO or Halt Auction. To the extent there is executable contra side interest, such market and MOO orders will be executed at the IEX Official IPO Price or the price of the IEX Re-Opening Trade according to time priority. After the execution of all market and MOO orders, the remaining Auction Eligible Orders with a resting price more aggressive than the IEX Official IPO Price or the price of the IEX Re-Opening Trade will be executed in price – display – time priority at the IEX Official IPO Price, or the price of the IEX Re-Opening Trade. All remaining Auction Eligible Orders with a resting price equal to the IEX Official IPO Price or the price of the IEX Re-Opening Trade shall execute in display – time priority at the IEX Official IPO Price, or the price of the IEX Re-Opening Trade. All AIQ modifiers as defined in Rule 11.190(e), and Minimum Quantity instructions as defined in Rule 11.190(b)(11), will not be supported in the IPO or Halt Auction, but will be enforced on all unexecuted shares released to the Continuous Book following the IPO or Halt Auction match.

(3) Transition to Continuous Trading.

(A) LOO, MOO, and market orders, as well as Auction Eligible Orders with a TIF of FOK or IOC that are not fully executed at the conclusion of the IPO Auction will be canceled immediately after the IPO Auction match.

(B) Auction Eligible Orders with a time-in-force of FOK or IOC and market orders (as well as On-Open orders when the Halt Auction is determining the IEX Official Opening Price) that are not fully executed at the conclusion of the Halt Auction will be canceled immediately after the Halt Auction match.

(C) All remaining shares from Auction Eligible Orders that are not canceled immediately by the System after an IPO or Halt Auction match and Auction Ineligible Orders will be released to the Continuous Book for trading in the applicable market session, subject to the orders' instructions; and

(D) Routable orders that are released to the Continuous Book will be routed in accordance with IEX Rule 11.230(c) (Re-Sweep Behavior), subject to the orders' instructions.

(4) Contingency Procedures. When a disruption occurs that prevents the execution of an IPO or Halt Auction as set forth above, IEX shall apply the following Contingency Procedures:

(A) For an IPO Auction, IEX will publicly announce that the Order Acceptance Period for the IPO Auction will reset for the subject security. At which point, IEX will cancel all orders on the Order Book and disseminate a new scheduled time for the Order Acceptance Period and auction match.

(B) For a Halt Auction, IEX will publicly announce that no Halt Auction will occur. All orders on the Order Book will be canceled, and IEX will open the security for trading without an auction.

• • • Supplementary Material • • •

.01 The Exchange will conduct an IPO Auction for securities that are the subject of an initial public offering. Pursuant to section 12(f)(1)(G)(i)-(ii) of the Securities and Exchange Act, a security is the subject of an initial public offering if the offering of the subject security is registered under the Securities Act of 1933, the issuer of the security, immediately prior to filing the registration statement with respect to the offering, was not subject to the reporting requirements of the Securities and Exchange Act, and the initial public offering of such security commences at the opening of trading on the day on which such security commences trading on the national securities exchange with which such security is registered. In addition, the Exchange will also conduct an IPO Auction for the initial pricing of any other security pursuant to Rule 11.280(h)(9). Pursuant to Rule 11.280(h)(9), the process for halting and initial pricing of a security that is the subject of an IPO shall also be available for the initial pricing of any other security that has not been listed on a national securities exchange or traded in the over-the-counter market pursuant to FINRA Form 211 immediately prior to the initial pricing, provided that a broker-dealer serving in the role of financial advisor to the issuer of the securities being listed is willing to perform the functions under IEX Rule 11.280(h)(8) that are performed by an underwriter with respect to an initial public offering.

.02 Initial trading for an IEX-listed security that is not the subject of an IPO or otherwise being priced pursuant to Rule 11.280(h)(9) will be eligible to begin trading in the Pre-Market Session and have an Opening Auction on IEX at the start of Regular Market Hours. For example, if an issuer with a class of common stock listed on IEX offers and lists a preferred class of securities on IEX, the offering of such securities would not constitute an initial public offering pursuant to section 12(f)(1)(G)(i) of the Securities and Exchange Act. Therefore, if the security does not qualify for the process of halting and initial pricing of a security pursuant to Rule 11.280(h)(9) (e.g., because there is no broker-dealer serving in the role of financial advisor to the issuer of the securities being listed that is willing to perform the functions under IEX Rule 11.280(h)(8) that are performed by an underwriter with respect to an initial public offering), such security will be eligible for trading in the Pre-Market Session and have an Opening Auction on IEX at the start of Regular Market Hours.

(f) Volatility Auction. The Volatility Auction is used to re-open an IEX-listed security after such security is subject to an LULD trading pause pursuant to IEX Rule 11.280(e).

(1) Order Entry and Cancellation Before a Volatility Auction.

(A) Auction Eligible Orders may be submitted to the Exchange at the beginning of the five (5) minute Order Acceptance Period for participation in a Volatility Auction. However, when an IEX-listed security is paused pursuant to IEX Rule 11.280(e) at or after the Closing Auction Lock-in Time, or if the Order Acceptance Period of a Volatility Auction for a security paused before the Closing Auction Lock-in Time pursuant to IEX Rule 11.280(e) would be in effect at the Closing Auction Lock-in Time, the Order Acceptance Period shall continue to the end of the Regular Market Session.

(B) All Auction Eligible Orders will be queued until the auction match. All orders associated with a Volatility Auction must be received prior to the auction match in order to be eligible for execution in the auction. Auction Ineligible Orders that may rest on the Order Book will be queued and maintained during the

Order Acceptance Period in accordance with Rule 11.220(a)(1); Auction Ineligible Orders with a TIF of IOC or FOK will be rejected prior to the auction match.

(C) Auction Eligible Orders associated with a Volatility Auction may be canceled or modified at any time prior to the auction match.

(2) Volatility Auction Process.

(A) Publication of IEX Auction Information. At the start of the Display Only Period and updated every one second thereafter, IEX Auction Information associated with the Volatility Auction will be disseminated via electronic means.

(B) Volatility Auction Collar. The Volatility Auction match must occur at a price at or within the Volatility Auction Collar.

(C) Conditions for Extending the Order Acceptance Period. The Order Acceptance Period will be extended:

(i) Automatically for five (5) minutes when the Indicative Clearing Price differs by the greater of five percent (5%) or fifty cents ($0.50) from any of the previous fifteen (15) Indicative Clearing Price disseminations at the time of the auction match;

(ii) Automatically for five (5) minutes when the Indicative Clearing Price, at the time of the auction match, is an Impermissible Price. Upon extension, the Volatility Auction Collar will be expanded in the direction of the Impermissible Price pursuant to section (D)(ii) below; the Volatility Auction will continue to be extended in five (5) minute increments and will continue to be expanded in the direction of the Impermissible Price until sufficient trading interest exists at an Indicative Clearing Price at or within the Volatility Auction Collar; or

(iii) Automatically to the end of Regular Market Hours where an IEX-listed security is paused pursuant to IEX Rule 11.280(e) at or after the Closing Auction Lock-in Time, or the Order Acceptance Period of a Volatility Auction for a security paused before the Closing Auction Lock-in Time pursuant to IEX Rule 11.280(e) would be in effect at the Closing Auction Lock-in Time, in which case the IEX Official Closing Price will be determined by the Volatility Auction pursuant to section (3) below.

(D) Incremental Extensions of the Order Acceptance Period following a Trading Pause. Pursuant to section (a)(29)(C) above, the Order Acceptance Period for a Volatility Auction shall commence immediately after the Trading Pause. The Order Acceptance Period may be extended for five (5) minutes pursuant to section 11.350(f)(2)(C)(i) or (C)(ii) above (the "Initial Extension Period"). After the Initial Extension Period, the Order Acceptance Period may be extended for additional five (5) minute periods pursuant to section 11.350(f)(2)(C)(i) or (C)(ii) above (each an "Additional Extension Period") until a Volatility Auction occurs. The Exchange shall attempt to conduct a Volatility Auction every one (1) second during the course of each Additional Extension Period. Should the Order Acceptance Period for a Volatility Auction be extended to a time past the Closing Auction Lock-in Time (i.e., 10 minutes prior to the end of the Regular Market Session), the Volatility Auction shall be conducted pursuant to section (f)(3) of this Rule.

i. At the beginning of the Order Acceptance Period, the Volatility Auction Collar Reference Price and the Volatility Auction Collar shall be determined in accordance with section (a)(32) and (a)(31) of the Rule, respectively.

ii. At the beginning of the Initial Extension Period pursuant to section (C)(ii), the upper (lower) Volatility Auction Collar shall be increased (decreased) by five (5) percent of the original Volatility Auction Collar Reference Price in the direction of the Impermissible Price, rounded to the nearest passive MPV. For securities with a Volatility Auction Collar Reference Price of $3.00 or less, the Volatility Auction Collar shall be increased (decreased) in $0.15 increments in the direction of the Impermissible Price. At the beginning of each Additional Extension Period pursuant to section (C)(ii), the Volatility Auction Collar shall be widened in accordance with this paragraph by the same method as the Initial Extension Period.

(E) Determination of IEX Re-Opening Trade. The execution resulting from the Volatility Auction will be the IEX Re-opening Trade. If there is insufficient trading interest in the System to execute the Volatility Auction for that security, no Volatility Auction will occur, and the security will be released for trading pursuant to section (G) below. Pursuant to Rule 11.350(c)(2)(F), if IEX has not determined the IEX Official Opening Price for an IEX-listed security, and the security is subject to an LULD trading pause, the IEX Official Opening Price will be the price of the Volatility Auction.

(i) The Volatility Auction shall occur at the price that maximizes the number of shares of Auction Eligible Orders to be executed;

(ii) If more than one price exists under subparagraph (i) resulting in an auction price range, the Volatility Auction shall occur at the price at or within such range that is not lower (higher) than the most aggressive unexecuted buy (sell) order; and

(iii) If more than one price exists under subparagraph (ii), the Volatility Auction shall occur at the price closest or equal to the Volume Based Tie Breaker.

(iv) If the Volatility Auction price established by subparagraphs (i) through (iii) is outside the Volatility Auction Collar, the Order Acceptance Period shall be extended pursuant to 11.350(f)(2)(C)(ii) and the Volatility Auction Collars shall be updated pursuant to Rule 11.350(f)(2)(D)(ii), described above; or

(v) If the Volatility Auction price established by subparagraphs (i) through (iii) meets the conditions for extending the Order Acceptance Period described in Rule 11.350(f)(2)(C)(i), the Order Acceptance Period shall be extended accordingly.

(F) Execution Priority. Volatility Auction execution priority occurs in accordance with IEX Auction Priority as described in section (b) above. Market orders have priority over all other Auction Eligible Orders in the Volatility Auction. To the extent there is executable contra side interest, such market orders will be executed at the price of the IEX Re-Opening Trade according to time priority. After the execution of all market orders, the remaining Auction Eligible Orders with a resting price more aggressive than the price of the IEX Re-Opening Trade will be executed in price – display – time priority at the price of the IEX Re-Opening Trade. All remaining Auction Eligible Orders with a resting price equal to the price of the IEX Re-

Opening Trade shall execute in display – time priority at the price of the IEX Re-Opening Trade. All AIQ modifiers as defined in Rule 11.190(e), and Minimum Quantity instructions as defined in Rule 11.190(b)(11), will not be supported in the Volatility Auction, but will be enforced on all unexecuted shares released to the Continuous Book following the Volatility Auction match.

(G) Transition to Regular Market Session.

(i) Auction Eligible Orders with a TIF of FOK or IOC and market orders that are not fully executed in a Volatility Auction will be canceled immediately after the Volatility Auction match;

(ii) All remaining shares from Auction Eligible Orders that are not canceled immediately by the System after a Volatility Auction match and Auction Ineligible Orders will be released to the Continuous Book for trading in the Regular Market Session, subject to the orders' instructions; and

(iii) Routable orders that are released to the Continuous Book will be routed in accordance with IEX Rule 11.230(c) (Re-Sweep Behavior), subject to the orders' instructions.

(H) Contingency Procedures. When a disruption occurs that prevents the execution of a Volatility Auction as set forth above, IEX shall apply the following Volatility Auction Contingency Procedures:

(i) IEX will publicly announce that no Volatility Auction will occur, and the Exchange will immediately notify the single plan processor responsible for consolidation of information for the security. All orders on the Order Book will be canceled, and IEX will open the security for trading without an auction after the single plan processor responsible for consolidation of information for the security has disseminated Price Bands.

(3) Closing with a Volatility Auction. Where an IEX-listed security is paused pursuant to IEX Rule 11.280(e) at or after the Closing Auction Lock-in Time, or the Order Acceptance Period of a Volatility Auction for a security paused before the Closing Auction Lock-in Time pursuant to IEX Rule 11.280(e) would otherwise be extended by the Exchange to a time after the Closing Auction Lock-in Time, no Closing Auction for the security will occur. Instead, the Exchange will conduct a Volatility Auction at the end of Regular Market Hours to determine the IEX Official Closing Price for the security.

(A) Order Entry and Cancellation Before Closing with a Volatility Auction.

(i) Auction Eligible Orders may be submitted to the Exchange at the beginning of the Order Acceptance Period for participation in a Volatility Auction. All Auction Eligible Orders will be queued until the auction match. All orders associated with a Volatility Auction must be received prior to the auction match in order to be eligible for execution in the Volatility Auction. Auction Ineligible Orders will be rejected prior to the auction match.

(ii) MOC and LOC orders queued for the Closing Auction will be incorporated into the Auction Book for the Volatility Auction.

(iii) When an IEX-listed security is paused pursuant to IEX Rule 11.280(e) at or after the Closing Auction Lock-in Time, or the Order Acceptance Period of a Volatility Auction for a security paused before the Closing Auction Lock-in Time pursuant to IEX Rule 11.280(e) would

otherwise be extended by the Exchange to a time after the Closing Auction Lock-in Time, non-displayed interest with a TIF of DAY and pegged orders will be immediately canceled, in order to allow Users to re-enter such interest as Auction Eligible Orders.

(iv) Auction Eligible Orders associated with a Volatility Auction may be canceled or modified at any time prior to the auction match.

(v) In the event the Exchange cannot complete a Volatility Auction before the end of Post-Market Hours, all open orders in the subject security on the Order Book will be canceled.

(B) Process for Closing with a Volatility Auction.

(i) Publication of IEX Auction Information. At the start of the Display Only Period and updated every one second thereafter, IEX Auction Information associated with the Volatility Auction will be disseminated via electronic means.

(ii) Determination of IEX Official Closing Price. The IEX Official Closing Price will be the price of the Volatility Auction. If there is insufficient trading interest in the System to execute the Volatility Auction for that security, the Final Last Sale Eligible Trade shall be used as the IEX Official Closing Price in that security, and the security will be released for trading pursuant to section (C) below. Pursuant to Rule 11.350(c)(2)(F), if IEX has not determined the IEX Official Opening Price for an IEX-listed security, and the security is subject to an LULD trading pause, the IEX Official Opening Price will be the price of the Volatility Auction.

(a) The Volatility Auction shall occur at the price that maximizes the number of shares of Auction Eligible Orders to be executed;

(b) If more than one price exists under subparagraph (a) resulting in an auction price range, the Volatility Auction shall occur at the price at or within such range that is not lower (higher) than the most aggressive unexecuted buy (sell) order; and

(c) If more than one price exists under subparagraph (b), the Volatility Auction shall occur at the price closest or equal to the Volume Based Tie Breaker.

(d) If the Volatility Auction price established by subparagraphs (a) through (c) is outside the Volatility Auction Collar, the Order Acceptance Period shall be extended pursuant to 11.350(f)(2)(C)(ii) and the Volatility Auction Collars shall be updated pursuant to Rule 11.350(f)(2)(D)(ii), described above; or

(e) If the Volatility Auction price established by subparagraphs (a) through (c) meets the conditions for extending the Order Acceptance Period described in Rule 11.350(f)(2)(C)(i), the Order Acceptance Period shall be extended pursuant to 11.350(f)(2)(D).

(iii) Execution Priority. Volatility Auction execution priority occurs in accordance with IEX Auction Priority as described in section (b) above. Market and MOC orders have priority over all other Auction Eligible Orders in the Volatility Auction. To the extent there is executable contra side interest, such market and MOC orders will be executed at the IEX Official Closing Price according

to time priority. After the execution of all market and MOC orders, the remaining Auction Eligible Orders with a resting price more aggressive than the IEX Official Closing Price will be executed in price – display – time priority at the IEX Official Closing Price. All remaining Auction Eligible Orders with a resting price equal to the IEX Official Closing Price shall execute in display – time priority at the IEX Official Closing Price. All AIQ modifiers as defined in Rule 11.190(e), and Minimum Quantity instructions as defined in Rule 11.190(b)(11), will not be supported in the Volatility Auction, but will be enforced on all unexecuted shares released to the Continuous Book following the Volatility Auction match.

(C) Transition to Post-Market Session.

(i) LOC, MOC, and market orders, as well as all orders with a TIF of DAY, FOK, or IOC that are not fully executed at the conclusion of the Volatility Auction will be canceled immediately after the Volatility Auction match; and

(ii) All remaining shares from Auction Eligible Orders that are not canceled immediately by the System after the Volatility Auction match will be released to the Continuous Book for trading in the Post-Market Session, subject to the orders' instructions.

(iii) Routable orders that are released to the Continuous Book will be routed in accordance with IEX Rule 11.230(c) (Re-Sweep Behavior), subject to the orders' instructions.

(D) Contingency Procedures for Closing with a Volatility Auction.

(i) When a disruption occurs that prevents the execution of the Volatility Auction as set forth above, IEX will utilize the Closing Auction Contingency Procedures as defined in IEX Rule 11.350(d)(4).

(g) Short Sale Order Handling.

(1) For Opening, Closing, Halt, and Volatility Auctions for covered securities, when the Short Sale Price Test of Rule 201 of Regulation SHO is in effect, the Exchange will not execute or display short sale orders not marked short exempt at a price at or below the current NBB.

(A) When the Short Sale Price Test of Rule 201 of Regulation SHO is in effect during the auction match for covered securities, and the inclusion of one or more sell short orders not marked short exempt would push the auction match price to a price at or below the current NBB price at the time of the auction match (i.e., the time of execution of orders in the auction), then such sell short order not marked short exempt and all other sell short orders not marked short exempt with lesser priority shall not receive an execution in the auction match.

(h) Whenever, in the judgment of the Exchange, the interests of a fair and orderly market so require, the Exchange may adjust the timing of or suspend the auctions set forth in this IEX Rule with prior notice to Users.

(i) For purposes of Rule 611(b)(3) of Regulation NMS and section VI(D)(6) of the plan to Implement a Tick Size Pilot Program, orders executed pursuant to the Opening Auction, Closing Auction, IPO Auction, Halt Auction, and Volatility Auction may trade-through or trade-at the price of any other Trading Center's Manual or Protected

Quotations if the transaction that traded-at or constituted the trade-through was a single-priced opening, re-opening, or closing transaction by the trading center.

(j) For purposes of this Rule, all references to a.m. and p.m. times shall mean Eastern Time.

(Amended by SR-IEX-2017-10 eff. August 4, 2017; amended by SR-IEX-2018-03 eff. March 1, 2018; amended by SR-IEX-2018-08 eff. April 17, 2018; amended by SR-IEX-2018-13 eff. June 22, 2018; amended by SR-IEX-2018-23 eff. March 18, 2019; amended by SR-IEX-2019-14 eff. December 13, 2019).

Rule 11.360. Reserved.

Rule 11.370. Reserved.

Rule 11.380. Risk Management

(a) Aggregate Risk Controls ("ARC").

(1) ARCs may be optionally elected by a Member or the clearing firm of a Member.

(2) ARCs can be configured to accumulate Gross Notional Exposure, Net Notional Exposure, or both, as defined in subparagraphs (a)(2)(A) and (a)(2)(B), respectively ("ARC Limit"). ARC Limits can be configured for matched and routed trades for a Member or clearing firm's broker correspondent across MPIDs, by MPID, by FIX session, or in combination, per clearing firm relationship or Member, as applicable. If an ARC Limit is exceeded new orders will be automatically rejected and all open orders will be cancelled. Any ARC Limit may be increased or decreased on an intra-day basis by a Member or the clearing firm of a Member, as applicable.

(A) "Gross Notional Exposure" is calculated as the absolute sum of the notional value of all buy and sell trades: equal to the value of executed buys plus the absolute value of executed long sells plus the absolute value of executed short sells. There is no netting of buys and sales in the same symbol or across symbols. Gross Notional Exposure resets for each new trading day.

(B) "Net Notional Exposure" is calculated as the absolute net sum of the notional value of all buy and sell trades: equal to the value of executed buys minus the absolute value of executed long sells minus the absolute value of executed short sells. Netting is calculated across symbols. Net Notional Exposure resets for each new trading day.

(3) Notwithstanding the foregoing, after the Lock-in Time for the Opening (Closing) Auction and before the Opening (Closing) Auction match, if a Member exceeds their pre-determined ARC Limit as configured by the Member or their clearing firm, IEX will not cancel such Member's orders that are on the Opening (Closing) Auction Book ("Locked-in Orders"). Immediately after the Opening (Closing) Auction match, any unexecuted portion of Locked-in Orders will be canceled.

(b) Members, including clearing firms, seeking to utilize ARC shall contact IEX Market Operations at marketops@iextrading.com.

(Amended by SR-IEX-2016-15 eff. September 27, 2016; amended by SR-IEX-2017-44 eff. January 3, 2018; amended by SR-IEX-2019-13 eff. November 27, 2019).

Rule 11.390. Reserved.

Rule Series 11.400. MARKET DATA FEEDS

Rule 11.410. Use of Market Data Feeds and Calculations of Necessary Price Reference Points

(a) Market Data Sources.

Away Trading Center	Primary Source Quotes	Secondary Source Quotes	Source Trades & Admin
Cboe BYX Exchange (BATY)	Direct Feed	CQS/UQDF	CTS/UTDF
Cboe BZX Exchange (BATS)	Direct Feed	CQS/UQDF	CTS/UTDF
Cboe EDGA Exchange (EDGA)	Direct Feed	CQS/UQDF	CTS/UTDF
Cboe EDGX Exchange (EDGX)	Direct Feed	CQS/UQDF	CTS/UTDF
Long-Term Stock Exchange (LTSE)	CQS/UQDF	n/a	CTS/UTDF
MEMX LLC (MEMX)	Direct Feed	CQS/UQDF	CTS/UTDF
MIAX PEARL, LLC (EPRL)	Direct Feed	CQS/UQDF	CTS/UTDF
NASDAQ BX (XBOS)	Direct Feed	CQS/UQDF	CTS/UTDF
NASDAQ PSX (XPHL)	Direct Feed	CQS/UQDF	CTS/UTDF
NASDAQ Stock Market (XNGS)	Direct Feed	CQS/UQDF	CTS/UTDF
New York Stock Exchange (XNYS)	Direct Feed	CQS/UQDF	CTS/UTDF
NYSE American (XASE)	Direct Feed	CQS/UQDF	CTS/UTDF
NYSE ARCA (ARCX)	Direct Feed	CQS/UQDF	CTS/UTDF
NYSE Chicago (XCHI)	CQS/UQDF	n/a	CTS/UTDF

Away Trading Center	Primary Source Quotes	Secondary Source Quotes	Source Trades & Admin
NYSE National (XCIS)	CQS/UQDF	n/a	CTS/UTDF

(1) Top of Book. IEX determines the Top of Book quotation for each away trading center to be equal to the price and size of the most current displayed best priced bid and displayed best priced offer of an away trading center in an Regulation NMS Covered Security ("covered security") known to the System during system hours through the market data sources described in paragraph (2) below.

(2) Proprietary Market Data Feeds. The Exchange utilizes the following data feeds for each of the away trading centers that produce Protected Quotations. The Exchange will maintain connectivity and access, pursuant to IEX Rule 11.510, to each away trading center for the receipt of such away trading center's proprietary market data feeds. Proprietary market data feeds are the primary source from which the System determines the Top of Book quotation for each away trading center, except for LTSE, XCHI and XCIS for which applicable Securities Information Processor ("SIP") market data is used. Proprietary market data feeds are also the primary source of NBBO, except for LTSE, XCHI and XCIS for which the applicable SIP market data is used, for certain reporting, regulatory and compliance systems within IEX. In the event of and during any issue or condition preventing the reliable use of proprietary market data feeds to determine Top of Book for an away trading center, the System may switch to the Top of Book quotation for that away trading center, for one or more of its covered securities, as disseminated by the applicable SIP.

(A) IEX aggregates odd and mixed lot quotations received via proprietary market data feeds into round lots for the purposes of determining each away trading center's Top of Book consistent with the convention used by each away trading center in its publish of its own best priced quotations to each SIP.

(3) SIP Market Data Feeds. IEX consumes SIP consolidated quotation and trade data feeds for each of the National Tape Plans for covered securities. The Exchange will maintain connectivity and access, pursuant to IEX Rule 11.510, to each SIP for the receipt of SIP feeds. SIP feeds are a secondary source of Top of Book information for each away trading center for which IEX has a proprietary market data feed, as well as being a primary source of administrative messages such as halts, unhalts, limit up-limit down reference prices, Regulation SHO short sale circuit breakers, and last sale information. SIP feeds are also the primary source of administrative messages for certain reporting, regulatory and compliance systems within IEX.

(4) IEX Best Priced Quotation. IEX is aware of its own Top of Book, aggregated best priced, resting, displayed orders for which it is publishing a protected quotation, intrinsically within the IEX System. The IEX System is the primary source of the IEX Top of Book for the purposes of calculating quote related reference prices for the trading system. SIP feeds and the IEX proprietary market data feeds may be the, or one of the, primary sources of IEX Top of Book information for certain reporting, regulatory, and compliance systems of the Exchange.

(b) Quote Related Reference Prices are derived from composite of Top of Book determined for each away trading center as per paragraph (a) above in the following manner:

(1) Protected Quotations. Protected Bids and Offers are determined from all Top of Book information for away trading centers' quotations meeting the requirements defined in rules of Regulation NMS. IEX consumes the Protected Quotations from the away trading centers listed in this IEX Rule.

(2) National Best Bid and Offer. The NBBO is equal to the highest bid and lowest offer among all valid Top of Book for each protected quotation in each covered security, including IEX's own quotation. Quotations of venues against which IEX has declared self-help as described in IEX Rule 11.230(d), are included in the determination of the NBBO.

(3) Protected Best Bid and Offer. The Protected NBBO is equal to the highest bid and lowest offer among all valid Top of Book for each protected quotation in each covered security, including IEX's own quotation. Quotations of venues against which IEX has declared self-help as described in IEX Rule 11.230(d), are excluded in the determination of the PBBO.

(4) Market Data Snapshot ("SNAP"). A SNAP is the most current Top of Book of each away trading center disseminating a Protected Quotation at the time requested by the System.

(c) Matching Engine Market Data Usage. The IEX Matching Engine uses the NBBO to determine price for pegged orders and the Regulation SHO Short Sale Price Test, and the Protected NBBO to determine the protected inside for the purpose of preventing locked and crossed markets, NMS price sliding, and trade through protection.

(d) Market Data Usage for Routing Decisions. The System uses the NBBO to determine marketability of orders it handles. The System generates a SNAP for all away trading centers. Quotations excluded from the Protected NBBO are similarly excluded by the System for purposes of determining the Protected Quotations of individual away trading centers in a covered security. The System uses each SNAP for no longer than allowed by Regulation NMS Rule 611 "flickering quote" rule. The System's own orders and the responses it receives from away trading centers displaying protected quotations to which it had routed will serve to inform the System's view of the Protected NBBO and contribute to the determination of Protected Quotations for purposes of routing that particular order to away trading centers.

(Amended by SR-IEX-2017-33 eff. October 17, 2017; amended by SR-IEX-2017-42 eff. November 27, 2017; amended by SR-IEX-2018-10 eff. May 10, 2018; amended by SR-IEX-2019-12 eff. November 15, 2019; amended by SR-IEX-2020-03 eff. February 20, 2020; amended by SR-IEX-2020-11 eff. August 12, 2020; amended by SR-IEX-2020-12 eff. August 25, 2020; amended by SR-IEX-2020-13 eff. September 3, 2020).

Rule 11.420. Reserved.

(Amended by SR-IEX-2017-15 eff. May 12, 2017; amended by SR-IEX-2018-12 eff. June 20, 2018; amended by SR-IEX-2021-10 eff. August 31, 2021).

Rule 11.510. Connectivity

(a) General. All Participants and Extranet Providers, each as defined in IEX Rule 11.130(a), may only connect to, access, and interact with the System at a network address maintained by the Exchange at the IEX point-of-presence (the "POP") as specified in the Exchange's Connectivity Manual ("Connectivity Manual"). Inbound communications to the System from the POP are subject to an equivalent 350 microseconds of latency between the network access point of the POP and the System at the primary data center (due to traversing the physical distance provided by coiled

optical fiber, the geographic distribution and network connectivity). Outbound communications from the System to the POP do not traverse the physical distance provided by coiled optical fiber and are subject to an equivalent 37 microseconds of latency due to traversing the geographic distribution and network connectivity between the System at the primary data center and the network access point of the POP.

(1) The Exchange offers a variety of connectivity options outlined in the Connectivity Manual. IEX does not offer co-location services.

(2) Participants and Extranet Providers may connect to, access, and interact with the backup System when the System at the primary data center is unavailable and the Exchange declares it will operate from the backup data center. Certain Members are required to connect to the Exchange's backup System and participate in functional and performance testing as specified in IEX Rule 2.250. Neither inbound nor outbound communications with the backup System traverse the connectivity infrastructure between the System and the POP as connectivity to the backup System occurs directly at the backup data center.

(b) IEX Connectivity Infrastructure. The System is available for entry and execution of orders only via connectivity at the POP by each Participant. Exchange data products are available for receipt only via connectivity at the POP by all Data Recipients. Inbound messages from Participants to the Exchange are subject to the inbound latency, as defined in paragraph (1) below. Outbound messages from the Exchange to Participants are subject to the outbound latency, as defined in paragraph (2) below. Notwithstanding the foregoing, connectivity between the System routing logic and the Order Book and the manner in which the System routing logic may receive Exchange data products are described in paragraph (c) below.

(1) Inbound Latency. For inbound communication (including, without limitation, order messages and cancel messages found in the Exchange's FIX Specification), the Exchange's connectivity infrastructure is designed to provide all Participants with an equivalent 350 microseconds of latency from the Exchange-provided network interface at the IEX POP to the System at the primary data center ("inbound latency").

(2) Outbound Latency. For outbound communication (including, without limitation, execution report messages found in the Exchange's FIX Specification, quote and trade update messages found in the Exchange's TOPS and DEEP Specifications, and DROP messages), the Exchange's connectivity infrastructure is designed to provide all Participants and Data Recipients with an equivalent 37 microseconds of latency from the System at the primary data center to the Exchange-provided network interface at the IEX POP ("outbound latency").

(c) System Connectivity.

(1) Order Book Processes and Order Execution. Order Book processing and order execution on the Order Book occur within the System and do not traverse the connectivity infrastructure between the System and the POP. Notwithstanding the foregoing, in the case of a routable order the order is initially delivered to the System routing logic within the System, which will then route all or a portion of the order to the Order Book, in accordance with the System routing logic. All inbound communications (including, without limitation, order messages and cancel messages from the System routing logic to the Order Book are subject to 350 microseconds of latency between the System routing logic and the Order Book (which is in addition to the inbound latency described in paragraph (b)(1) of this IEX Rule 11.510); all outbound communications (including, without limitation, execution report messages found in the Exchange's FIX Specification) from the Order Book to the System routing logic are subject to 37 microseconds of latency between the Order book and the System routing logic (which is in addition to the outbound latency described in paragraph (b)(2) of this IEX Rule 11.510). Furthermore, pursuant to Rule 11.190(b)(17), each time a Market Maker Peg order is automatically adjusted by

the System, all inbound communications related to the modified order instruction are subject to 350 microseconds of latency and all outbound communications related to the modified order instruction are subject to 37 microseconds of latency between the Market Maker Peg order repricing logic and the Order Book.

(2) System Receipt of Market Data.

(A) Proprietary Market Data Feeds. Pursuant to IEX Rule 11.410(a)(2), the System connects to each away trading center's primary data center for the receipt of proprietary market data feeds. Communications with away trading centers do not traverse the connectivity infrastructure between the System and the POP. The System routing logic may only receive Exchange data products, subject to 37 microseconds of outbound latency, equivalent to the outbound latency applicable to all other data recipients as described in paragraph (b)(2) of this IEX Rule 11.510.

(i) The backup System shall not have connectivity to each away trading center's primary data center for the receipt of proprietary market data.

(B) SIP Feeds. Pursuant to IEX Rule 11.410(a)(3), the System connects to the SIPs for the receipt of SIP feeds. Communications with the SIPs do not traverse the connectivity infrastructure between the System and the POP.

(3) Outbound Communication from the System to Facilities and Away Trading Centers.

(A) Outbound Router. Pursuant to IEX Rule 11.230(b), the System connects to the Outbound Router for order entry and execution on away trading centers; the Outbound Router subsequently connects to each away trading center for order entry and execution on such away trading centers. In addition to the connectivity described in paragraph (b)(2) of this IEX Rule 11.510, communications between the Outbound Router and away trading centers do not traverse the connectivity infrastructure between the System and the POP.

(B) Securities Information Processors. Pursuant to IEX Rule 11.240(c) and IEX Rule 11.240(d), the System connects to the SIPs to disseminate quotation and last sale (i.e. execution) information. Communications with the SIPs do not traverse the connectivity infrastructure between the System and the POP.

(C) National Securities Clearing Corporation. Pursuant to IEX Rule 11.250(a), the System connects to the NSCC to transmit executed transactions. Communications with the NSCC do not traverse the connectivity infrastructure between the System and the POP.

• • • Supplementary Material • • •

.01 Backup System Connectivity.

The Exchange does not offer connectivity from the IEX POP to the Exchange's backup System. The backup System consumes SIP feeds as the sole market data source, therefore the POP is not required in the backup System. Thus, the Exchange offers connectivity directly at the backup data center.

.02 Latency.

Due to force majeure events and acts of third parties, the Exchange does not guarantee that its connectivity infrastructure will always provide 350 microseconds of inbound latency and 37 microseconds of outbound latency, including the additional latencies for routable orders as described in Supplementary Material .03 below. The Exchange will periodically monitor such latency, and will

make adjustments to the latency as reasonably necessary to achieve consistency with the latency targets as soon as commercially practicable. If the Exchange determines to increase or decrease either the inbound latency or the outbound latency it will submit a rule filing pursuant to Section 19 of the Act.

.03 Latency Experience for Users Sending Routable Orders.

All routable orders sent to the Exchange by Users traverse the 350 microseconds of latency from the POP to the System. Once the System routing logic determines the destinations to route such order, including the Order Book, the routed child orders are subject to the applicable latency to each venue. In the case of routing to the Order Book, the child order is subject to an additional 350 microseconds of latency from the System routing logic to the Order Book. In the case of routing to away trading centers, the child order is subject to the applicable latency from the System to each away trading center without traversing the infrastructure between the System and the POP. All responses from the Order Book to the System routing logic are subject to 37 microseconds of latency and all messages from the System routing logic to Users are subject to an additional 37 microseconds of outbound latency. All responses from away trading centers to the System routing logic do not traverse the connectivity infrastructure between the System and the POP.

(Amended by SR-IEX-2017-22 eff. August 25, 2017; amended by SR-IEX-2020-07 eff. June 15, 2020; amended by SR-IEX-2020-18 eff. January 29, 2021; amended by SR-IEX-2021-17 eff. December 14, 2021).

Rule Series 11.600. Consolidated Audit Trail Compliance Rule

Rule 11.610. Consolidated Audit Trail – Definitions

For purposes of the Rule Series 11.600:

(a) "Account Effective Date" means:

(1) with regard to those circumstances in which an Industry Member has established a trading relationship with an institution but has not established an account with that institution:

(A) when the trading relationship was established prior to commencement of Phase 2c or Phase 2d (as applicable depending on whether the account involves Eligible Securities that are equities or options), either

(i) the date the relationship identifier was established within the Industry Member;

(ii) the date when trading began (i.e., the date the first order was received) using the relevant relationship identifier; or

(iii) if both dates are available, the earlier date will be used to the extent that the dates differ; or

(B) when the trading relationship was established on or after commencement of Phase 2c or Phase 2d (as applicable depending on whether the account involves Eligible Securities that are equities or options), the date the Industry Member established the relationship identifier, which would be no later than the date the first order was received;

(2) where an Industry Member changes back office providers or clearing firms prior to commencement of Phase 2c or Phase 2d (as applicable depending on whether the account involves Eligible Securities that are equities or options), the date an account was established at the relevant Industry Member, either directly or via transfer;

(3) where an Industry Member acquires another Industry Member prior to commencement of Phase 2c or Phase 2d (as applicable depending on whether the account involves Eligible Securities that are equities or options), the date an account was established at the relevant Industry Member, either directly or via transfer;

(4) where there are multiple dates associated with an account established prior to commencement of Phase 2c or Phase 2d (as applicable depending on whether the account involves Eligible Securities that are equities or options), the earliest available date;

(5) with regard to Industry Member proprietary accounts established prior to commencement of Phase 2c or Phase 2d (as applicable depending on whether the account involves Eligible Securities that are equities or options):

(A) the date established for the account in the Industry Member or in a system of the Industry Member or

(B) the date when proprietary trading began in the account (i.e., the date on which the first orders were submitted from the account).

With regard to paragraphs (2) – (5), the Account Effective Date will be no later than the date trading occurs at the Industry Member or in the Industry Member's system.

(b) "Active Accounts" means an account that has had activity in Eligible Securities within the last six months.

(c) "Allocation" means (1) the placement of shares/contracts into the same account for which an order was originally placed; or (2) the placement of shares/contracts into an account based on allocation instructions (e.g., subaccount allocations, delivery versus payment ("DVP") allocations).

(d) "Allocation Report" means a report made to the Central Repository by an Industry Member that identifies the Firm Designated ID for any account(s), including subaccount(s), to which executed shares/contracts are allocated and provides (1) the security that has been allocated; (2) the identifier of the firm reporting the allocation; (3) the price per share/contract of shares/contracts allocated; (4) the side of shares/contracts allocated; (5) the number of shares/contracts allocated to each account; (6) the time of the allocation; (7) Allocation ID, which is the internal allocation identifier assigned to the allocation event by the Industry Member; (8) trade date; (9) settlement date; (10) IB/correspondent CRD Number (if applicable); (11) FDID of new order(s) (if available in the booking system); (12) allocation instruction time (optional); (12) if account meets the definition of institution under FINRA Rule 4512(c); (13) type of allocation (allocation to a custody account, allocation to a DVP account, step-out, correspondent flip, allocation to a firm owned or controlled account, or other non-reportable transactions (e.g., option exercises, conversions); (14) for DVP allocations, custody broker-dealer clearing number (prime broker) if the custodian is a U.S. broker-dealer, DTCC number if the custodian is a U.S. bank, or a foreign indicator, if the custodian is a foreign entity; and (15) if an allocation was cancelled, a cancel flag indicating that the allocation was cancelled, and a cancel timestamp, which represents the time at which the allocation was cancelled; provided, for the avoidance of doubt, any such Allocation Report shall not be required to be linked to particular orders or executions.

(e) "ATS" means an alternative trading system, as defined in Rule 300(a)(1) of Regulation ATS under the Exchange Act.

(f) "Business Clock" means a clock used to record the date and time of any Reportable Event required to be reported under this Rule Series.

(g) "CAT" means the consolidated audit trail contemplated by SEC Rule 613.

(h) "CAT NMS Plan" means the National Market System Plan Governing the Consolidated Audit Trail, as amended from time to time.

(i) "CAT-Order-ID" means a unique order identifier or series of unique order identifiers that allows the Central Repository to efficiently and accurately link all Reportable Events for an order, and all orders that result from the aggregation or disaggregation of such order.

(j) "CAT Reporting Agent" means a Data Submitter that is a third party that enters into an agreement with an Industry Member pursuant to which the CAT Reporting Agent agrees to fulfill such Industry Member's reporting obligations under this Rule Series.

(k) "Central Repository" means the repository responsible for the receipt, consolidation, and retention of all information reported to the CAT pursuant to SEC Rule 613 and the CAT NMS Plan.

(l) "Client Account" means, for the purposes of an Allocation and Allocation Report, any account or subaccount that is not owned or controlled by the Industry Member.

(m) "Compliance Threshold" has the meaning set forth in Rule 11.693(d).

(n) "Customer" means:

(1) the account holder(s) of the account at an Industry Member originating the order; and

(2) any person from whom the Industry Member is authorized to accept trading instructions for such account, if different from the account holder(s).

(o) "Customer Account Information" shall include, but not be limited to, account number, account type, customer type, date account opened, and large trader identifier (if applicable); except, however, that:

(1) in those circumstances in which an Industry Member has established a trading relationship with an institution but has not established an account with that institution, the Industry Member will:

(A) provide the Account Effective Date in lieu of the "date account opened";

(B) identify the "account type" as a "relationship".

(2) in those circumstances in which the relevant account was established prior to commencement of Phase 2c or Phase 2d (as applicable depending on whether the account involves Eligible Securities that are equities or options), and no "date account opened" is available for the account, the Industry Member will provide the Account Effective Date in the following circumstances:

(A) where an Industry Member changes back office providers or clearing firms and the date account opened is changed to the date the account was opened on the new back office/clearing firm system;

(B) where an Industry Member acquires another Industry Member and the date account opened is changed to the date the account was opened on the post-merger back office/clearing firm system;

(C) where there are multiple dates associated with an account in an Industry Member's system, and the parameters of each date are determined by the individual Industry Member; and

(D) where the relevant account is an Industry Member proprietary account.

(p) "Customer Identifying Information" means information of sufficient detail to identify a Customer, including, but not limited to:

(1) with respect to individuals: name, address, year of birth, individual's role in the account (*e.g.,* primary holder, joint holder, guardian, trustee, person with the power of attorney); and

(2) with respect to legal entities: name, address, Employer Identification Number ("EIN")/Legal Entity Identifier ("LEI") or other comparable common entity identifier, if applicable; provided, however, that an Industry Member that has an LEI for a Customer must submit the Customer's LEI in addition to other information of sufficient detail to identify a Customer.

(q) "Data Submitter" means any person that reports data to the Central Repository, including national securities exchanges, national securities associations, broker-dealers, the SIPs for the CQS, CTA, UTP and Plan for Reporting of

Consolidated Options Last Sale Reports and Quotation Information ("OPRA") Plans, and certain other vendors or third parties that may submit data to the Central Repository on behalf of Industry Members.

(r) "Eligible Security" includes (1) all NMS Securities and (2) all OTC Equity Securities.

(s) "Error Rate" means the percentage of Reportable Events collected by the Central Repository in which the data reported does not fully and accurately reflect the order event that occurred in the market.

(t) "Firm Designated ID" means (1) a unique and persistent identifier for each trading account designated by Industry Members for purposes of providing data to the Central Repository, provided, however, such identifier may not be the account number for such trading account if the trading account is not a proprietary account; (2) a unique and persistent relationship identifier when an Industry Member does not have an account number available to its order handling and/or execution system at the time of order receipt, provided, however, such identifier must be masked; or (3) a unique and persistent entity identifier when an employee of an Industry Member is exercising discretion over multiple client accounts and creates an aggregated order for which a trading account number of the Industry Member is not available at the time of order origination, where each such identifier is unique among all identifiers from any given Industry Member.

(u) "Industry Member" means a member of a national securities exchange or a member of a national securities association.

(v) "Industry Member Data" has the meaning set forth in Rule 11.630(a)(2).

(1) "Phase 2a Industry Member Data" means Industry Member Data required to be reported to the Central Repository commencing in Phase 2a.

(2) "Phase 2b Industry Member Data" means Industry Member Data required to be reported to the Central Repository commencing in Phase 2b.

(3) "Phase 2c Industry Member Data" means Industry Member Data required to be reported to the Central Repository commencing in Phase 2c.

(4) "Phase 2d Industry Member Data" means Industry Member Data required to be reported to the Central Repository commencing in Phase 2d.

(5) "Phase 2e Industry Member Data" means Industry Member Data required to be reported to the Central Repository commencing in Phase 2e. The full scope of Industry Member Data required by the CAT NMS Plan will be required to be reported to the CAT when Phase 2e has been implemented, subject to any applicable exemptive relief or amendments to the CAT NMS Plan.

(w) "Initial Plan Processor" means the first Plan Processor selected by the Operating Committee in accordance with SEC Rule 613, Section 6.1 of the CAT NMS Plan and the National Market System Plan Governing the Process for Selecting a Plan Processor and Developing a Plan for the Consolidated Audit Trail.

(x) "Introducing Industry Member" means a broker-dealer that does not qualify as a Small Industry Member solely because such broker-dealer satisfies Rule 0-10(i)(2) under the Exchange Act in that it introduces transactions on a fully disclosed basis to clearing firms that are not small businesses or small organizations.

(y) "Listed Option" or "Option" have the meaning set forth in Rule 600(b)(43) of Regulation NMS.

(z) "Manual Order Event" means a non-electronic communication of order-related information for which Industry Members must record and report the time of the event.

(aa) "Material Terms of the Order" includes: the NMS Security or OTC Equity Security symbol; security type; price (if applicable); size (displayed and non-displayed); side (buy/sell); order type; if a sell order, whether the order is long, short, short exempt; open/close indicator (except on transactions in equities); time in force (if applicable); if the order is

for a Listed Option, option type (put/call), option symbol or root symbol, underlying symbol, strike price, expiration date, and open/close (except on market maker quotations); and any special handling instructions.

(bb) "NMS Security" means any security or class of securities for which transaction reports are collected, processed, and made available pursuant to an effective transaction reporting plan, or an effective national market system plan for reporting transactions in Listed Options.

(cc) "NMS Stock" means any NMS Security other than an option.

(dd) "Operating Committee" means the governing body of the CAT NMS, LLC designated as such and described in Article IV of the CAT NMS Plan.

(ee) "Options Market Maker" means a broker-dealer registered with an exchange for the purpose of making markets in options contracts traded on the exchange.

(ff) "Order" or "order", with respect to Eligible Securities, shall include:

(1) Any order received by an Industry Member from any person;

(2) Any order originated by an Industry Member; or

(3) Any bid or offer.

(gg) "OTC Equity Security" means any equity security, other than an NMS Security, subject to prompt last sale reporting rules of a registered national securities association and reported to one of such association's equity trade reporting facilities.

(hh) "Participant" means each Person identified as such in Exhibit A of the CAT NMS Plan, as amended, in such Person's capacity as a Participant in CAT NMS, LLC.

(ii) "Person" means any individual, partnership, limited liability company, corporation, joint venture, trust, business trust, cooperative or association and any heirs, executors, administrators, legal representatives, successors and assigns of such Person where the context so permits.

(jj) "Plan Processor" means the Initial Plan Processor or any other Person selected by the Operating Committee pursuant to SEC Rule 613 and Sections 4.3(b)(i) and 6.1 of the CAT NMS Plan, and with regard to the Initial Plan Processor, the National Market System Plan Governing the Process for Selecting a Plan Processor and Developing a Plan for the Consolidated Audit Trail, to perform the CAT processing functions required by SEC Rule 613 and set forth in the CAT NMS Plan.

(kk) "Received Industry Member Data" has the meaning set forth in Rule 11.630(a)(2).

(ll) "Recorded Industry Member Data" has the meaning set forth in Rule 11.630(a)(1).

(mm) "Reportable Event" includes, but is not limited to, the original receipt or origination, modification, cancellation, routing, execution (in whole or in part) and allocation of an order, and receipt of a routed order.

(nn) "SRO" means any self-regulatory organization within the meaning of Section 3(a)(26) of the Exchange Act.

(oo)"SRO-Assigned Market Participant Identifier" means an identifier assigned to an Industry Member by an SRO or an identifier used by a Participant.

(pp) "Small Industry Member" means an Industry Member that qualifies as a small broker-dealer as defined in Rule 0-10(c) under the Securities Exchange Act of 1934, as amended.

(qq) "Trading Day" shall have the meaning as is determined by the Operating Committee. For the avoidance of doubt, the Operating Committee may establish different Trading Days for NMS Stocks (as defined in SEC Rule 600(b)(55)), Listed Options, OTC Equity Securities, and any other securities that are included as Eligible Securities from time to time.

(rr) "Transformed Value for individual tax payer identification number ("ITIN")/social security number ("SSN")" means the interim value created by an Industry Member based on a Customer ITIN/SSN.

(Adopted by SR-IEX-2017-04 eff. March 15, 2017; amended by SR-IEX-2020-08 eff. June 19, 2020; amended by SR-IEX-2020-10 eff. July 31, 2020; amended by SR-IEX-2021-02 eff. January 27, 2021).

Rule 11.620. Consolidated Audit Trail - Clock Synchronization

(a) Clock Synchronization

(1) Each Industry Member shall synchronize its Business Clocks, other than such Business Clocks used solely for Manual Order Events or used solely for the time of allocation on Allocation Reports, at a minimum to within a fifty (50) millisecond tolerance of the time maintained by the atomic clock of the National Institute of Standards and Technology ("NIST"), and maintain such synchronization.

(2) Each Industry Member shall synchronize (A) its Business Clocks used solely for Manual Order Events and (B) its Business Clocks used solely for the time of allocation on Allocation Reports at a minimum to within a one second tolerance of the time maintained by the NIST atomic clock, and maintain such synchronization.

(3) The tolerance for paragraphs (a)(1) and (2) of this Rule includes all of the following:

(A) The difference between the NIST atomic clock and the Industry Member's Business Clock;

(B) The transmission delay from the source; and

(C) The amount of drift of the Industry Member's Business Clock.

(4) Business Clocks must be synchronized every business day before market open to ensure that timestamps for Reportable Events are accurate. To maintain clock synchronization, Business Clocks must be checked against the NIST atomic clock and re-synchronized, as necessary, throughout the day.

(b) Documentation

Industry Members must document and maintain their synchronization procedures for Business Clocks. Industry Members must keep a log of the times when they synchronize their Business Clocks and the results of the synchronization process. This log should include notice of any time a Business Clock drifts more than the applicable tolerance specified in paragraph (a) of this Rule. Such log must include results for a period of not less than five years ending on the then current date, or for the entire period for which the Industry Member has been required to comply with this Rule if less than five years.

(c) Certification

Each Industry Member shall certify to the Exchange that its Business Clocks satisfy the synchronization requirements set forth in paragraph (a) of this Rule periodically in accordance with the certification schedule established by the Operating Committee pursuant to the CAT NMS Plan.

(d) Violation Reporting

Each Industry Member with Business Clocks must report to the Plan Processor and the Exchange violations of paragraph (a) of this Rule pursuant to the thresholds set by the Operating Committee pursuant to the CAT NMS Plan.

(Adopted by SR-IEX-2017-04 eff. March 15, 2017; amended by SR-IEX-2023-14 eff. December 22, 2023)).

Rule 11.630. Consolidated Audit Trail – Industry Member Data Reporting

(a) Recording and Reporting Industry Member Data

(1) Subject to paragraph (3) below, each Industry Member shall record and electronically report to the Central Repository the following details for each order and each Reportable Event, as applicable ("Recorded Industry Member Data") in the manner prescribed by the Operating Committee pursuant to the CAT NMS Plan:

(A) for original receipt or origination of an order:

(i) Firm Designated ID(s) for each Customer;

(ii) CAT-Order-ID;

(iii) SRO-Assigned Market Participant Identifier of the Industry Member receiving or originating the order;

(iv) date of order receipt or origination;

(v) time of order receipt or origination (using timestamps pursuant to Rule 11.660); and

(vi) Material Terms of the Order;

(vii) the unique identification of any appropriate information barriers in place at the department within the Industry Member where the order was received or originated;

(viii) any request by a Customer that a limit order not be displayed, or that a block size limit order be displayed, pursuant to applicable rules;

(ix) the nature of the department or desk that originated the order, or received the order from a Customer;

(x) the type of account holder for which the order is submitted;

(xi) for an Industry Member that operates an ATS:

(1) the ATS's unique identifier for the order type of the order;

(2) the National Best Bid and National Best Offer (or relevant reference price) at the time of order receipt or origination, and the date and time at which the ATS recorded such National Best Bid and National Best Offer (or relevant reference price);

(3) the identification of the market data feed used by the ATS to record the National Best Bid and National Best Offer (or relevant reference price) for purposes of subparagraph (xi)(2). If for any reason, the ATS uses an alternative market data feed than what was reported on its ATS data submission, the ATS must provide notice to the Central Repository of the fact that an alternative source was used, identify the alternative source, and specify the date(s), time(s) and securities for which the alternative source was used;

(4) the sequence number assigned to the receipt or origination of the order by the ATS's matching engine;

(5) whether the ATS displays subscriber orders outside the ATS (other than to alternative trading system employees). If an ATS does display subscriber orders outside the ATS (other than to alternative trading system employees), indicate whether the order is displayed to subscribers only or through publicly disseminated quotation data.

(B) for the routing of an order:

(i) CAT-Order-ID;

(ii) date on which the order is routed;

(iii) time at which the order is routed (using timestamps pursuant to Rule 11.660);

(iv) SRO-Assigned Market Participant Identifier of the Industry Member routing the order;

(v) SRO-Assigned Market Participant Identifier of the Industry Member or Participant to which the order is being routed;

(vi) if routed internally at the Industry Member, the identity and nature of the department or desk to which the order is routed, and the unique identification of any appropriate information barriers in place at the department within the Industry Member to which the order was transmitted;

(vii) Material Terms of the Order; and

(viii) for Industry Members that operate ATSs, the sequence number assigned to the routing of the order by the ATS's matching engine.

(C) for the receipt of an order that has been routed, the following information:

(i) CAT-Order-ID;

(ii) date on which the order is received;

(iii) time at which the order is received (using timestamps pursuant to Rule 11.660);

(iv) SRO-Assigned Market Participant Identifier of the Industry Member receiving the order;

(v) SRO-Assigned Market Participant Identifier of the Industry Member or Participant routing the order;

(vi) Material Terms of the Order;

(vii) the unique identification of any appropriate information barriers in place at the department within the Industry Member which received the order;

(viii) the nature of the department or desk that received the order;

(ix) any request by a Customer that a limit order not be displayed, or that a block size limit order be displayed, pursuant to applicable rules; and

(x) for an Industry Member that operates an ATS:

(1) the ATS's unique identifier for the order type of the order;

(2) the National Best Bid and National Best Offer (or relevant reference price) at the time of order receipt, and the date and time at which the ATS recorded such National Best Bid and National Best Offer (or relevant reference price);

(3) the identification of the market data feed used by the ATS to record the National Best Bid and National Best Offer (or relevant reference price) for purposes of subparagraph (x)(2). If for any reason, the ATS uses an alternative market data feed than what was reported on its ATS data submission, the ATS must provide notice to the Central Repository of the fact that an alternative source was used, identify the alternative source, and specify the date(s), time(s) and securities for which the alternative source was used;

(4) the sequence number assigned to the receipt of the order by the ATS's matching engine;

(5) whether the ATS displays subscriber orders outside the ATS (other than to alternative trading system employees). If an ATS does display subscriber orders outside the ATS (other than to alternative trading system employees), indicate whether the order is displayed to subscribers only or through publicly disseminated quotation data.

(D) if the order is modified or cancelled:

(i) CAT-Order-ID;

(ii) date the modification or cancellation is received or originated;

(iii) time at which the modification or cancellation is received or originated (using timestamps pursuant to Rule 11.660);

(iv) price and remaining size of the order, if modified;

(v) other changes in the Material Terms of the Order, if modified;

(vi) whether the modification or cancellation instruction was given by the Customer or was initiated by the Industry Member;

(vii) the unique identification of any appropriate information barriers at the department within the Industry Member which received or originated the modification;

(viii) any request by a Customer that a limit order not be displayed, or that a block size limit order be displayed, pursuant to applicable rules;

(ix) for an Industry Member that operates an ATS:

(1) the ATS's unique identifier for the order type of the order;

(2) the National Best Bid and National Best Offer (or relevant reference price) at the time of order modification or cancellation, and the date and time at which the ATS recorded such National Best Bid and National Best Offer (or relevant reference price);

(3) the identification of the market data feed used by the ATS to record the National Best Bid and National Best Offer (or relevant reference price) for purposes of subparagraph (ix)(2). If for any reason, the ATS uses an alternative market data feed than what was reported on its ATS data submission, the ATS must provide notice to the Central Repository of the fact that an alternative source was used, identify the alternative source, and specify the date(s), time(s) and securities for which the alternative source was used;

(4) the sequence number assigned to the modification or cancellation of the order by the ATS's matching engine;

(5) each time the ATS's matching engine re-prices an order or changes the display quantity of an order, the time of such modification and the applicable new price or size.

(E) if the order is executed, in whole or in part:

(i) CAT-Order-ID;

(ii) date of execution;

(iii) time of execution (using timestamps pursuant to Rule 11.660);

(iv) execution capacity (principal, agency or riskless principal);

(v) execution price and size;

(vi) SRO-Assigned Market Participant Identifier of the Industry Member executing the order;

(vii) whether the execution was reported pursuant to an effective transaction reporting plan or the Plan for Reporting of Consolidated Options Last Sale Reports and Quotation Information; and

(viii) for Industry Members that operate ATSs:

(1) the National Best Bid and National Best Offer (or relevant reference price) at the time of execution, and the date and time at which the ATS recorded such National Best Bid and National Best Offer (or relevant reference price);

(2) the identification of the market data feed used by the ATS to record the National Best Bid and National Best Offer (or relevant reference price) for purposes of subparagraph (viii)(1). If for any reason, the ATS uses an alternative market data feed than what was reported on its ATS data submission, the ATS must provide notice to the Central Repository of the fact that an alternative source was used, identify the alternative source, and specify the date(s), time(s) and securities for which the alternative source was used; and

(3) the sequence number assigned to the execution of the order by the ATS's matching engine.

(F) other information or additional events as may be prescribed pursuant to the CAT NMS Plan.

(2) Subject to paragraph (3) below, each Industry Member shall record and report to the Central Repository the following, as applicable ("Received Industry Member Data" and collectively with the information referred to in Rule 11.630(a)(1) "Industry Member Data")) in the manner prescribed by the Operating Committee pursuant to the CAT NMS Plan:

(A) if the order is executed, in whole or in part:

(i) SRO-Assigned Market Participant Identifier of the clearing broker or prime broker, if applicable; and

(ii) CAT-Order-ID of any contra-side order(s);

(B) if the trade is cancelled, a cancelled trade indicator;

(C) for original receipt or origination of an order, the Firm Designated ID for the relevant Customer, Transformed Value for individual tax payer identification number ("ITIN")/social security number ("SSN"), and in accordance with Rule 11.640, Customer Account Information and Customer Identifying Information for the relevant Customer;

(D) An Industry Member that operates an ATS must provide to the Central Repository:

(1) a list of all of its order types twenty (20) days before such order types become effective; and

(2) any changes to its order types twenty (20) days before such changes become effective. An identifier shall not be required for market and limit orders that have no other special handling instructions.

(E) if an Industry Member is required to submit and submits a trade report for a trade, and, if the trade is cancelled, a cancellation, to one of FINRA's Trade Reporting Facilities, OTC Reporting Facility or Alternative Display Facility pursuant to applicable SRO rules, and the Industry Member is required to report the corresponding execution and/or cancellation to the Central Repository:

(1) the Industry Member is required to report to the Central Repository the trade identifier reported by the Industry Member to such FINRA facility for the trade when the Industry Member reports the execution of an order pursuant to Rule 11.630(a)(1)(E) or cancellation of an order pursuant to Rule 11.630(a)(1)(D) beginning June 22, 2020 for Large Industry Members and Small Industry OATS Reporters and beginning December 13, 2021 for Small Industry Non-OATS Reporters, and such trade identifier must be unique beginning October 26, 2020 for Large Industry Members and Small Industry OATS Reporters and beginning December 13, 2021 for Small Industry Non-OATS Reporters;

(2) if the order is executed in whole or in part, and the Industry Member submits the trade report to one of FINRA's Trade Reporting Facilities, OTC Reporting Facility or Alternative Display Facility pursuant to applicable SRO rules, the Industry Member is not required to submit the SRO-Assigned Market Participant Identifier of the clearing broker pursuant to Rule 11.630(a)(2)(A)(ii); provided, however, if the Industry Member does not report the clearing number of the clearing broker to such FINRA facility for a trade, or does not report the unique trade identifier to the Central Repository as required by Rule 11.630(a)(2)(E)(1), then the Industry Member would be required to record and report to the Central Repository the clearing number of the clearing broker as well as information about the contra party to the trade beginning April 26, 2021 for Large Industry Members and Small Industry OATS Reporters and beginning December 13, 2021 for Small Industry Non-OATS Reporters; and

(3) if the trade is cancelled and the Industry Member submits the cancellation to one of FINRA's Trade Reporting Facilities, OTC Reporting Facility or Alternative Display Facility pursuant to applicable SRO rules, the Industry Member is not required to submit the cancelled trade indicator pursuant to Rule 11.630(a)(2)(B); provided, however, if the Industry Member does not report a cancellation for a canceled trade to such FINRA facility, or does not report the unique trade identifier as required by Rule 11.630(a)(2)(E)(1), then the Industry Member would be required to record and report to the Central Repository a cancelled trade indicator as well as a cancelled trade

timestamp beginning June 22, 2020 for Large Industry Members and Small Industry OATS Reporters and beginning December 13, 2021 for Small Industry Non-OATS Reporters.

(F) an Allocation Report any time the Industry Member performs an Allocation to a Client Account, whether or not the Industry Member was the executing broker for the trade.

(3) Each Industry Member that is an Options Market Maker is not required to report to the Central Repository the Industry Member Data regarding the routing, modification or cancellation of its quotes in Listed Options. Each Industry Member that is an Options Market Maker shall report to the Exchange the time at which its quote in a Listed Option is sent to the Exchange (and, if applicable, any subsequent quote modification time and/or cancellation time when such modification or cancellation is originated by the Options Market Maker).

(b) Timing of Recording and Reporting

(1) Each Industry Member shall record Recorded Industry Member Data contemporaneously with the applicable Reportable Event.

(2) Each Industry Member shall report:

(A) Recorded Industry Member Data to the Central Repository by 8:00 a.m. Eastern Time on the Trading Day following the day the Industry Member records such Recorded Industry Member Data; and

(B) Received Industry Member Data to the Central Repository by 8:00 a.m. Eastern Time on the Trading Day following the day the Industry Member receives such Received Industry Member Data.

(3) Industry Members may, but are not required to, voluntarily report Industry Member Data prior to the applicable 8:00 a.m. Eastern Time deadline.

(c) Applicable Securities

(1) Each Industry Member shall record and report to the Central Repository the Industry Member Data as set forth in paragraph (a) of this Rule for each NMS Security registered or listed for trading on such exchange or admitted to unlisted trading privileges on such exchange.

(2) Each Industry Member shall record and report to the Central Repository the Industry Member Data as set forth in this paragraph (a) of this Rule for each Eligible Security for which transaction reports are required to be submitted to FINRA.

(d) Security Symbology

(1) For each exchange-listed Eligible Security, each Industry Member shall report Industry Member Data to the Central Repository using the symbology format of the exchange listing the security.

(2) For each Eligible Security that is not exchange-listed, each Industry Member shall report Industry Member Data to the Central Repository using such symbology format as approved by the Operating Committee pursuant to the CAT NMS Plan.

(e) Error Correction

For each Industry Member for which errors in Industry Member Data submitted to the Central Repository have been identified by the Plan Processor or otherwise, such Industry Member shall submit corrected Industry Member Data to the Central Repository by 8:00 a.m. Eastern Time on T+3.

(f) Each Industry Member that operates an ATS that trades OTC Equity Securities shall provide to the Central Repository;

(1) the best bid and best offer for each OTC Equity Security traded on such ATS;

(2) an indication of whether each bid and offer for OTC Equity Securities was solicited or unsolicited; and

(3) the unpriced bids and offers for each OTC Equity Security traded on such ATS.

(Adopted by SR-IEX-2017-04 eff. March 15, 2017; amended by SR-IEX-2020-08 eff. June 19, 2020; amended by SR-IEX-2021-02 eff. January 27, 2021).

Rule 11.640. Consolidated Audit Trail – Customer Information Reporting

(a) Initial Set of Customer Information

Each Industry Member shall submit to the Central Repository the Firm Designated ID, the Transformed Value for individual tax payer identification number ("ITIN")/social security number ("SSN"), Customer Account Information and Customer Identifying Information for each of its Customers with an Active Account prior to such Industry Member's commencement of reporting to the Central Repository and in accordance with the deadlines set forth in Rule 11.680.

(b) Daily Updates to Customer Information

Each Industry Member shall submit to the Central Repository any updates, additions or other changes to the Firm Designated ID, the Transformed Value for individual tax payer identification number ("ITIN")/social security number ("SSN"), Customer Account Information and Customer Identifying Information for each of its Customers with an Active Account on a daily basis.

(c) Periodic Updates to Complete Set of Customer Information

On a periodic basis as designated by the Plan Processor and approved by the Operating Committee, each Industry Member shall submit to the Central Repository a complete set of Firm Designated IDs, the Transformed Value for individual tax payer identification number ("ITIN")/social security number ("SSN"), Customer Account Information and Customer Identifying Information for each of its Customers with an Active Account.

(d) Error Correction

For each Industry Member for which errors in Firm Designated ID, the Transformed Value for individual tax payer identification number ("ITIN")/social security number ("SSN"), Customer Account Information and Customer Identifying Information for each of its Customers with an Active Account submitted to the Central Repository have been identified by the Plan Processor or otherwise, such Industry Member shall submit corrected data to the Central Repository by 5:00 p.m. Eastern Time on T+3.

(Adopted by SR-IEX-2017-04 eff. March 15, 2017; amended by SR-IEX-2020-08 eff. June 19, 2020).

Rule 11.650. Consolidated Audit Trail – Industry Member Information Reporting

Each Industry Member shall submit to the Central Repository information sufficient to identify such Industry Member, including CRD number and LEI, if such LEI has been obtained, prior to such Industry Member's commencement of

reporting to the Central Repository and in accordance with the deadlines set forth in Rule 11.680, and keep such information up to date as necessary.

Rule 11.660. Consolidated Audit Trail - Time Stamps

(a) Millisecond Time Stamps

(1) Subject to paragraphs (a)(2) and (b), each Industry Member shall record and report Industry Member Data to the Central Repository with time stamps in milliseconds.

(2) Subject to paragraph (b), to the extent that any Industry Member's order handling or execution systems utilize time stamps in increments finer than milliseconds, such Industry Member shall record and report Industry Member Data to the Central Repository with time stamps in such finer increment up to nanoseconds; provided, that Industry Members that capture timestamps in increments more granular than nanoseconds must truncate the timestamps after the nanosecond level for submission to CAT, rather than rounding such timestamps up or down, until April 8, 2025.

(b) One Second Time Stamps/Electronic Order Capture

(i) Each Industry Member may record and report Manual Order Events to the Central Repository in increments up to and including one second, provided that each Industry Member shall record and report the time when a Manual Order Event has been captured electronically in an order handling and execution system of such Industry Member ("Electronic Capture Time") in milliseconds; and

(ii) Each Industry Member may record and report the time of Allocation Reports in increments up to and including one second.

(Adopted by SR-IEX-2017-04 eff. March 15, 2017; amended by SR-IEX-2020-08 eff. June 19, 2020).

Rule 11.665. Consolidated Audit Trail Clock Synchronization Rule Violation

An Industry Member that engages in a pattern or practice of reporting Reportable Events outside of the required clock synchronization time period as set forth in this Rule Series without reasonable justification or exceptional circumstances may be considered in violation of this Rule.

(Adopted by SR-IEX-2017-04 eff. March 15, 2017).

Rule 11.670. Consolidated Audit Trail – Connectivity and Data Transmission

(a) Data Transmission

Each Industry Member shall transmit data as required under the CAT NMS Plan to the Central Repository utilizing such format(s) as may be provided by the Plan Processor and approved by the Operating Committee.

(b) Connectivity

Each Industry Member shall connect to the Central Repository using a secure method(s), including but not limited to private line(s) and virtual private network connection(s).

(c) CAT Reporting Agents

(1) Any Industry Member may enter into an agreement with a CAT Reporting Agent pursuant to which the CAT Reporting Agent agrees to fulfill the reporting obligations of such Industry Member under this Rule Series 11.600. Any such agreement shall be evidenced in writing, which shall specify the respective functions and responsibilities of each party to the agreement that are required to effect full compliance with the requirements of this Rule Series.

(2) All written documents evidencing an agreement described in subparagraph (1) shall be maintained by each party to the agreement.

(3) Each Industry Member remains primarily responsible for compliance with the requirements of this Rule Series 11.600, notwithstanding the existence of an agreement described in this paragraph.

(Adopted by SR-IEX-2017-04 eff. March 15, 2017).

Rule 11.680. Consolidated Audit Trail – Development and Testing

(a) Development

(1) Industry Member file submission and data integrity testing for Phases 2a and 2b shall begin in December 2019.

(2) Industry Member testing of the Reporter Portal, including data integrity error correction tools and data submissions, shall begin in February 2020.

(3) The Industry Member test environment shall open with intra-firm linkage validations to Industry Members for both Phases 2a and 2b in April 2020.

(4) The Industry Member test environment shall open to Industry Members with inter-firm linkage validations for both Phases 2a and 2b in July 2020.

(5) The Industry Member test environment shall open to Industry Members with Phase 2c functionality (full representative order linkages) in January 2021.

(6) The Industry Member test environment shall open to Industry Members with Phase 2d functionality (manual options orders, complex options orders, and options allocations) in June 2021.

(7) Participant exchanges that support options market making quoting shall begin accepting Quote Sent Time on quotes from Industry Members no later than April 2020.

(8) The Industry Member test environment (customer and account information) will be open to Industry Members in January 2022.

(b) Testing

Each Industry Member shall participate in testing related to the Central Repository, including any industry-wide disaster recovery testing, pursuant to the schedule established pursuant to the CAT NMS Plan.

(Adopted by SR-IEX-2017-04 eff. March 15, 2017; amended by SR-IEX-2020-08 eff. June 19, 2020).

Rule 11.690. Consolidated Audit Trail - Recordkeeping

Each Industry Member shall maintain and preserve records of the information required to be recorded under this Rule Series for the period of time and accessibility specified in SEC Rule 17a-4(b). The records required to be maintained and preserved under this Rule may be immediately produced or reproduced on "micrographic media" as defined in SEC Rule 17a-4(f)(1)(i) or by means of "electronic storage media" as defined in SEA Rule 17a-4(f)(1)(ii) that meet the conditions set forth in SEC Rule 17a-4(f) and be maintained and preserved for the required time in that form.

(Adopted by SR-IEX-2017-04 eff. March 15, 2017).

Rule 11.693. Consolidated Audit Trail – Timely, Accurate and Complete Data

(a) General

Industry Members are required to record and report data to the Central Repository as required by this Rule Series in a manner that ensures the timeliness, accuracy, integrity and completeness of such data.

(b) LEIs

Without limiting the requirement set forth in paragraph (a), Industry Members are required to accurately provide the LEIs in their records as required by this Rule Series and may not knowingly submit inaccurate LEIs to the Central Repository; provided, however, that this requirement does not impose any additional due diligence obligations on Industry Members with regard to LEIs for CAT purposes.

(c) Compliance with Error Rate

If an Industry Member reports data to the Central Repository with errors such that the error percentage exceeds the maximum Error Rate established by the Operating Committee pursuant to the CAT NMS Plan, then such Industry Member would not be in compliance with the Rule Series 11.600.

(d) Compliance Thresholds

Each Industry Member shall be required to meet a separate compliance threshold which will be an Industry Member-specific rate that may be used as the basis for further review or investigation into the Industry Member's performance with regard to the CAT (the "Compliance Thresholds"). Compliance Thresholds will compare an Industry Member's error rate to the aggregate Error Rate over a period of time to be defined by the Operating Committee. An Industry Member's performance with respect to its Compliance Threshold will not signify, as a matter of law, that such Industry Member has violated this Rule Series.

(Adopted by SR-IEX-2017-04 eff. March 15, 2017).

Rule 11.695. Consolidated Audit Trail – Compliance Dates

(a) General

Paragraphs (b) and (c) of this Rule set forth the additional details with respect to the compliance dates of Rules 11.610 – 11.695. Unless otherwise noted, Rules 11.610 – 11.695 are fully effective and Industry Members must comply with their terms.

(b) Clock Synchronization

(1) Each Industry Member shall comply with Rule 11.620 with regard to Business Clocks that capture time in milliseconds commencing on or before March 15, 2017.

(2) Each Industry Member shall comply with Rule 11.620 with regard to Business Clocks that do not capture time in milliseconds commencing on or before February 19, 2018.[1]

(c) CAT Data Reporting

(1) Each Industry Member (other than a Small Industry Member) ("Large Industry Member") shall record and report the Industry Member Data to the Central Repository, as follows:

[1] Pending approval of exemptive relief regarding the compliance date for Business Clocks that do not capture time in milliseconds.

(A) Phase 2a Industry Member Data by June 22, 2020;

(B) Phase 2b Industry Member Data by July 20, 2020;

(C) Phase 2c Industry Member Data by April 26, 2021;

(D) Phase 2d Industry Member Data by December 13, 2021; and

(E) Phase 2e Industry Member Data by July 11, 2022.

(2) Each Industry Member that is a Small Industry Member shall record and report the Industry Member Data to the Central Repository, as follows:

(A) Small Industry Members that are required to record or report information to FINRA's Order Audit Trail System pursuant to applicable SRO rules ("Small Industry OATS Reporter") to report to the Central Repository Phase 2a Industry Member Data by June 22, 2020.

(B) Small Industry Members that are not required to record or report information to FINRA's Order Audit Trail System pursuant to applicable SRO rules ("Small Industry Non-OATS Reporter") to report to the Central Repository Phase 2a Industry Member Data by December 13, 2021.

(C) Small Industry Members to report to the Central Repository Phase 2b Industry Member Data, Phase 2c Industry Member Data, and Phase 2d Industry Member Data by December 13, 2021; and

(D) Small Industry Members to report to the Central Repository Phase 2e Industry Member Data by July 11, 2022.

(3) Introducing Industry Members must comply with the requirements of the CAT NMS Plan applicable to Small Industry Members.

(Adopted by SR-IEX-2017-04 eff. March 15, 2017; amended by SR-IEX-2020-08 eff. June 19, 2020).

CHAPTER 12. CODE OF ARBITRATION PROCEDURE FOR CUSTOMER AND INDUSTRY DISPUTES

Rule 12.110. Arbitration

(a) General. The Rule 12000 Series and Rule 13000 Series of the FINRA Manual (Code of Arbitration Procedures for Customer Disputes and Code of Arbitration Procedures for Industry Disputes) (the "FINRA Code of Arbitration"), as the same may be in effect from time to time, shall govern Exchange arbitrations except as may be specified in this IEX Rule 12.110. Definitions in the FINRA Code of Arbitration shall have the same meaning as that prescribed therein, and procedures contained in the FINRA Code of Arbitration shall have the same application as toward Exchange arbitrations.

(b) Jurisdiction. Any dispute, claim, or controversy arising out of or in connection with the business of any Member of the Exchange, or arising out of the employment or termination of employment of associated person(s) with any Member may be arbitrated under this IEX Rule 12.110 except that:

(1) a dispute, claim, or controversy alleging employment discrimination (including a sexual harassment claim) in violation of a statue may only be arbitrated if the parties have agreed to arbitrate it after the dispute arose; and

(2) any type of dispute, claim, or controversy that is not permitted to be arbitrated under the FINRA Code of Arbitration (such as class action claims) shall not be eligible for arbitration under this IEX Rule 12.110.

(c) Predispute Arbitration Agreements. The requirements of FINRA Rule 2268 shall apply to predispute arbitration agreements between Members and their customers.

(d) Referrals. If any matter comes to the attention of an arbitrator during and in connection with the arbitrator's participation in a proceeding, either from the record of the proceeding or from material or communications related to the proceeding, that the arbitrator has reason to believe may constitute a violation of the Exchange's Rules or the federal securities laws, the arbitrator may initiate a referral of the matter to the Exchange for disciplinary investigation; provided, however, that any such referral should only be initiated by an arbitrator after the matter before him has been settled or otherwise disposed of, or after an award finally disposing of the matter has been rendered pursuant to Rule 12904 or 13904 (as applicable) of the FINRA Code of Arbitration.

(e) Payment of Awards. Any Member, or person associated with a Member, who fails to honor an award of arbitrators appointed in accordance with this IEX Rule 12.110 shall be subject to disciplinary proceedings in accordance with Chapter 9.

(f) Other Exchange Actions. The submission of any matter to arbitration under this IEX Rule 12.110 shall in no way limit or preclude any right, action or determination by the Exchange which it would otherwise be authorized to adopt, administer or enforce.

CHAPTER 13. RESERVED.

CHAPTER 14. IEX LISTING RULES

Rule 14.001. The Qualification, Listing, and Delisting of Companies

Chapter 14 contains rules related to the qualification, listing and delisting of Companies on the Exchange

The IEX Rule Series 14.100 discusses IEX's general regulatory authority. The IEX Rule Series 14.200 sets forth the procedures and prerequisites for gaining a listing on IEX, as well as the disclosure obligations of listed Companies. The IEX Rule Series 14.300 contains the specific quantitative listing requirements. The corporate governance requirements are contained in the IEX Rule Series 14.400. The consequences of a failure to meet IEX's listing standards are contained in the IEX Rule Series 14.500. Company listing fees are described in the IEX Rule Series 14.600. Special listing requirements for securities other than common or preferred stock and warrants are contained in Chapter 16.

The Exchange exercises other authorities important to listed Companies pursuant to its Rules. For example, the Exchange may close markets upon request of the SEC (see IEX Rule 11.110(c)). It may also halt the trading of a Company's securities under certain circumstances and pursuant to established procedures (see IEX Rule 11.280). These authorities are exercised primarily by IEX Regulation and are contained in Chapter 11.

IEX and the Financial Industry Regulatory Authority, Inc. ("FINRA") are parties to a regulatory contract pursuant to which FINRA has agreed to perform certain functions described in the IEX Rules and on behalf of IEX. Notwithstanding the fact that IEX has entered into the regulatory contract with FINRA to perform some of IEX's functions, IEX shall retain ultimate legal responsibility for, and control of, such functions.

Rule 14.002. Definitions

(a) The following is a list of definitions used throughout the Exchange's Listing Rules. This IEX Rule also lists various terms together with references to other rules where they are specifically defined. Unless otherwise specified by the Rules, these terms shall have the meanings set forth below. Defined terms are capitalized throughout the Listing Rules.

(1) "Act" means the Securities Exchange Act of 1934.

(2) "Bid Price" means the closing bid price.

(3) "Best efforts offering" means an offering of securities by members of a selling group under an agreement that imposes no financial commitment on the members of such group to purchase any such securities except as they may elect to do so.

(4) "Cash flows" is defined in IEX Rule 14.302(b).

(5) "Company" means the issuer of a security listed or applying to list on the Exchange. For purposes of Chapter 14, the term "Company" includes an issuer that is not incorporated, such as, for example, a limited partnership.

(6) "Country of Domicile" means the country under whose laws a Company is organized or incorporated.

(7) "Covered Security" means a security described in Section 18(b) of the Securities Act of 1933.

(8) "Direct Registration Program" means any program by a Company, directly or through its transfer agent, whereby a Shareholder may have securities registered in the Shareholder's name on the books of the Company or its transfer agent without the need for a physical certificate to evidence ownership.

(9) "EDGAR System" means the SEC's Electronic Data Gathering, Analysis, and Retrieval system.

(10) "ESOP" means employee stock option plan.

(11) "Executive Officer" is defined in IEX Rule 14.405(a)(1).

(12) "Filed with the Exchange" means submitted to the Exchange directly or filed with the Commission through the EDGAR System.

(13) "Firm Commitment Offering" means an offering of securities by participants in a selling syndicate under an agreement that imposes a financial commitment on participants in such syndicate to purchase such securities.

(14) "Family Member" is defined in IEX Rule 14.405(a)(2).

(15) "Foreign Private Issuer" shall have the same meaning as under Rule 3b-4 under the Act.

(16) "IEX Listed security" means a security listed on the Exchange.

(17) "IEX Company" means the issuer of a security listed on the Exchange.

(18) "Independent Director" is defined in IEX Rule 14.405(a)(2).

(19) "Listed Securities" means securities listed on the Exchange or another national securities exchange.

(20) "Market Maker" means a dealer that, with respect to a security, holds itself out (by entering quotations into the Exchange) as being willing to buy and sell such security for its own account on a regular and continuous basis and that is registered as such.

(21) "Market Value" means the consolidated closing bid price multiplied by the measure to be valued (e.g., a Company's Market Value of Publicly Held Shares is equal to the consolidated closing bid price multiplied by a Company's Publicly Held Shares).

(22) "Member" means a broker or dealer admitted to membership in the Exchange.

(23) "Other Regulatory Authority" means: (i) in the case of a bank or savings authority identified in Section 12(i) of the Act, the agency vested with authority to enforce the provisions of Section 12 of the Act; or (ii) in the case of an insurance company that is subject to an exemption issued by the Commission that permits the listing of the security, notwithstanding its failure to be registered pursuant to section 12(b), the Commissioner of Insurance (or other officer or agency performing a similar function) of its domiciliary state.

(24) "Primary Equity Security" means a Company's first class of Common Stock, Ordinary Shares, Shares or Certificates of Beneficial Interest of Trust, Limited Partnership Interests or American Depositary Receipts ("ADRs") or Shares ("ADSs").

(25) "Publicly Held Shares" means shares not held directly or indirectly by an officer, director or any person who is the beneficial owner of more than 10 percent of the total shares outstanding. Determinations of beneficial ownership in calculating publicly held shares shall be made in accordance with Rule 13d-3 under the Act.

(26) "Public Holders" means holders of a security that includes both beneficial holders and holders of record, but does not include any holder who is, either directly or indirectly, an Executive Officer, director, or the beneficial holder of more than 10% of the total shares outstanding.

(27) "Reverse Merger" means any transaction whereby an operating company becomes an Exchange Act reporting company by combining, either directly or indirectly, with a shell company which is an Exchange Act reporting company, whether through a reverse merger, exchange offer, or otherwise. However, a Reverse Merger does not include a business combination described in IEX Rule 14.102(a). In determining whether a Company is a shell company, the Exchange will look to a number of factors, including but not limited to: whether the Company is considered a "shell company" as defined in Rule 12b-2 under the Act; what percentage of the Company's assets are active versus passive; whether the Company generates revenues, and if so, whether the revenues are

passively or actively generated; whether the Company's expenses are reasonably related to the revenues being generated; how many employees support the Company's revenue-generating business operations; how long the Company has been without material business operations; and whether the Company has publicly announced a plan to begin operating activities or generate revenues, including through a near-term acquisition or transaction.

(28) "Round Lot" or "Normal Unit of Trading" means 100 shares of a security unless, with respect to a particular security, the Exchange determines that a normal unit of trading shall constitute other than 100 shares. If a normal unit of trading is other than 100 shares, a special identifier shall be appended to the Company's Exchange symbol.

(29) "Round Lot Holder" means a holder of a Normal Unit of Trading. The number of beneficial holders will be considered in addition to holders of record.

(30) "Shareholder" means a record or beneficial owner of a security listed or applying to list. For purposes of Chapter 14, the term "Shareholder" includes, for example, a limited partner, the owner of a depository receipt, or unit.

(31) "Substantial Shareholder" is defined in IEX Rule 14.412(e)(3).

(32) "Substitution Listing Event" means: a reverse stock split, re-incorporation or a change in the Company's place of organization, the formation of a holding company that replaces a listed Company, reclassification or exchange of a Company's listed shares for another security, the listing of a new class of securities in substitution for a previously-listed class of securities or any technical change whereby the Shareholders of the original Company receive a share-for-share interest in the new Company without any change in their equity position or rights. A Substitution Listing Event also includes the replacement of, or any significant modification to, the index, portfolio or Reference Asset underlying a security listed under Chapter 16 of the IEX Rules (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).

(33) "Total Holders" means holders of a security that includes both beneficial holders and holders of record.

(Amended by SR-IEX-2016-21 eff. December 21, 2016).

Rule 14.100. IEX's Regulatory Authority

Rule 14.101. IEX's Regulatory Authority

The Exchange is entrusted with the authority to preserve and strengthen the quality of and public confidence in its market. The Exchange stands for integrity and ethical business practices in order to enhance investor confidence, thereby contributing to the financial health of the economy and supporting the capital formation process. Exchange Companies, from new public Companies to Companies of international stature, are publicly recognized as sharing these important objectives.

The Exchange, therefore, in addition to applying the enumerated criteria set forth in Chapters 14 and 16, has broad discretionary authority over the initial and continued listing of securities on the Exchange in order to maintain the quality, transparency and integrity of and public confidence in its market; to prevent fraudulent and manipulative acts and practices; to promote just and equitable principles of trade; to protect investors and the public interest; and to protect

the safety and security of the Exchange and its employees. The Exchange may use such discretion to deny initial listing, apply additional or more stringent criteria for the initial or continued listing of particular securities, or suspend or delist particular securities based on any event, condition, or circumstance that exists or occurs that makes initial or continued listing of the securities on the Exchange inadvisable or unwarranted in the opinion of the Exchange, even though the securities meet all enumerated criteria for initial or continued listing on the Exchange. In the event that the Exchange Staff makes a determination to suspend or deny continued listing pursuant to its discretionary authority, the Company may seek review of that determination through the procedures set forth in the IEX Rule Series 14.500.

• • • Supplementary Material • • •

.01 Use of Discretionary Authority.

To further Companies' understanding of this IEX Rule, the Exchange has adopted this Supplementary Material .01 as a non-exclusive description of the circumstances in which the Rule is generally invoked.

The Exchange may use its authority under this IEX Rule to deny initial or continued listing to a Company when an individual with a history of regulatory misconduct is associated with the Company. Such individuals are typically an officer, director, Substantial Shareholder (as defined in IEX Rule 14.412(e)(3)), or consultant to the Company. In making this determination, the Exchange will consider a variety of factors, including:

(a) the nature and severity of the conduct, taken in conjunction with the length of time since the conduct occurred;

(b) whether the conduct involved fraud or dishonesty;

(c) whether the conduct was securities-related;

(d) whether the investing public was involved;

(e) how the individual has been employed since the violative conduct;

(f) whether there are continuing sanctions (either criminal or civil) against the individual;

(g) whether the individual made restitution;

(h) whether the Company has taken effective remedial action; and

(i) the totality of the individual's relationship to the Company, giving consideration to:

(j) the individual's current or proposed position;

(k) the individual's current or proposed scope of authority;

(l) the extent to which the individual has responsibility for financial accounting or reporting; and

(m) the individual's equity interest.

Based on this review, the Exchange may determine that the regulatory history rises to the level of a public interest concern, but may also consider whether remedial measures proposed by the Company, if taken, would allay that concern. Examples of such remedial measures could include any or all of the following, as appropriate:

(1) the individual's resignation from officer and director positions, and/or other employment with the Company;

(2) divestiture of stock holdings;

(3) terminations of contractual arrangements between the Company and the individual; or

(4) the establishment of a voting trust surrounding the individual's shares.

The Exchange staff is willing to discuss with Companies, on a case-by-case basis, what remedial measures may be appropriate to address public interest concerns, and for how long such remedial measures would be required. Alternatively, the Exchange may conclude that a public interest concern is so serious that no remedial measure would be sufficient to alleviate it. In the event that the Exchange staff denies continued listing based on such public interest considerations, the Company may seek review of that determination through the procedures set forth in the IEX Rule 14.500 Series. On consideration of such appeal, a listing qualifications panel comprised of persons independent of the Exchange may accept, reject or modify the staff's recommendations by imposing conditions.

The Exchange may also use its discretionary authority, for example, when a Company files for protection under any provision of the federal bankruptcy laws or comparable foreign laws, when a Company's independent accountants issue a disclaimer opinion on financial statements required to be audited, or when financial statements do not contain a required certification.

In addition, pursuant to its discretionary authority, the Exchange will review the Company's past corporate governance activities. This review may include activities taking place while the Company is listed on the Exchange or an exchange that imposes corporate governance requirements, as well as activities taking place after a formerly listed company is no longer listed on the Exchange or such an exchange. Based on such review, and in accordance with the IEX Rule 14.500 Series, the Exchange may take any appropriate action, including placing restrictions on or additional requirements for listing, or denying listing of a security, if the Exchange determines that there have been violations or evasions of such corporate governance standards. Such determinations will be made on a case-by-case basis as necessary to protect investors and the public interest.

Although the Exchange has broad discretion under this IEX Rule to impose additional or more stringent criteria, this IEX Rule does not provide a basis for the Exchange to grant exemptions or exceptions from the enumerated criteria for initial or continued listing, which may be granted solely pursuant to IEX Rules explicitly providing such authority.

(Amended by SR-IEX-2017-14 eff. June 12, 2017).

Rule 14.102. Change of Control, Bankruptcy, Liquidation, and Reverse Mergers

(a) Business Combinations with non-IEX Entities Resulting in a Change of Control.

A Company must apply for initial listing in connection with a transaction whereby the Company combines with, or into, an entity that is not an IEX Company, resulting in a change of control of the Company and potentially allowing such entity to obtain an Exchange Listing. In determining whether a change of control has occurred, the Exchange shall consider all relevant factors including, but not limited to, changes in the management, board of directors, voting power, ownership, and financial structure of the Company. The Exchange shall also consider the nature of the businesses and the relative size of the IEX Company and the entity that is not an IEX Company. The Company must submit an application for the post-transaction entity with sufficient time to allow the Exchange to complete its review before the transaction is completed. If the Company's application for initial listing has not been approved prior to consummation of the transaction, the Exchange will issue a Staff Delisting Determination and begin delisting proceedings pursuant to IEX Rule 14.500.

(b) Bankruptcy and Liquidation.

The Exchange may use its discretionary authority under Chapter 14 to suspend or terminate the listing of a Company that has filed for protection under any provision of the federal bankruptcy laws or comparable foreign laws, or has announced that liquidation has been authorized by its board of directors and that it is committed to proceed, even though the Company's securities otherwise meet all enumerated criteria for continued listing on the Exchange. In the event that the Exchange determines to continue the listing of such a Company during a bankruptcy reorganization, the Company shall nevertheless be required to satisfy all requirements for initial listing, including the payment of initial listing fees, upon emerging from bankruptcy proceedings.

(c) Reverse Mergers

(1) A Company that is formed by a Reverse Merger (a "Reverse Merger Company") shall be eligible to submit an application for initial listing only if the combined entity has, immediately preceding the filing of the initial listing application:

(A) traded for at least one year in the U.S. over-the-counter market, on another national securities exchange, or on a regulated foreign exchange, following the filing with the Commission or Other Regulatory Authority of all required information about the transaction, including audited financial statements for the combined entity; and

(B) maintained a closing bid price of $4 per share or higher for a sustained period of time, but in no event for less than 30 of the most recent 60 trading days.

(2) In addition to satisfying all of the Exchange's other initial listing requirements, a Reverse Merger Company will only be approved for listing if, at the time of approval, it has:

(A) timely filed all required periodic financial reports with the Commission or Other Regulatory Authority (Forms 10-Q, 10-K, or 20-F) for the prior year, including at least one annual report. The annual report must contain audited financial statements for a full fiscal year commencing after filing the information described in paragraph (1)(A) above; and

(B) maintained a closing bid price of $4 per share or higher for a sustained period of time, but in no event for less than 30 of the most recent 60 trading days prior to approval.

(3) A Reverse Merger Company will not be subject to the requirements of this IEX Rule if, in connection with its listing, it completes a firm commitment underwritten public offering where the gross proceeds to the Reverse Merger Company will be at least $40 million. In addition, a Reverse Merger Company will no longer be subject to the requirements of this IEX Rule once it has satisfied the one-year trading requirement contained in paragraph (1)(A) above and has filed at least four annual reports with the Commission or Other Regulatory Authority containing all required audited financial statements for a full fiscal year commencing after filing the information described in that paragraph. In either case described in this paragraph (3), the Reverse Merger Company must satisfy all applicable requirements for initial listing, including the minimum bid price requirement and the requirement contained in IEX Rule 14.203(e) that the Company not be delinquent in its filing obligation with the Commission or Other Regulatory Authority.

Rule 14.200. General Procedures and Prerequisites for Initial and Continued Listing on the Exchange.

Rule 14.201. Confidential Pre-Application Review of Eligibility

(a) A Company seeking the initial listing of one or more classes of securities on the Exchange must participate in a free confidential pre-application eligibility review by the Exchange in order to determine whether it meets the Exchange's listing criteria. If, upon completion of this review, the Exchange determines that a company is eligible for listing, the Exchange will notify that company in writing (the "clearance letter") that it has been cleared to submit an original listing application. A clearance letter is valid for nine months from its date of issuance. If a company does not list within that nine month period and wishes to list thereafter, the Exchange will perform another confidential listing eligibility review as a condition to the issuance of a new clearance letter. Once a Company has cleared such review, it may file an original listing application pursuant to IEX Rule 14.202.

(b) Preliminary discussions with the Exchange on important matters in connection with the confidential pre-application eligibility review may be undertaken by Company officials interested in listing with the assurance that careful security measures have been adopted by the Exchange to avoid revealing any confidential information which the Company may disclose.

The information needed for the purpose of conducting a confidential pre-eligibility review is set forth in IEX Rules 14.202, 14.203, and Chapter 14 generally.

Rule 14.202. The Applications and Qualifications Process

(a) After receiving a clearance letter pursuant to IEX Rule 14.201, a company choosing to list must file an original listing application. To apply for listing on the Exchange, a Company shall execute a Listing Agreement and a Listing Application on the forms designated by the Exchange providing the information required by Section 12(b) of the Act.

(b) A Company's compliance with the initial listing criteria will be determined on the basis of the Company's most recent information filed with the Commission or Other Regulatory Authority and information provided to the Exchange. The Company shall certify, at or before the time of listing, that all applicable listing criteria have been satisfied.

(c) A Company's qualifications will be determined on the basis of financial statements that are either: (i) prepared in accordance with U.S. generally accepted accounting principles; or (ii) reconciled to U.S. generally accepted accounting principles as required by the Commission's rules; or (iii) prepared in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board, for Companies that are permitted to file financial statements using those standards consistent with the Commission's rules.

(d) A Company that has applied for initial listing on the Exchange shall file with the Exchange all reports and other documents filed or required to be filed with the Commission or Other Regulatory Authority. This requirement is satisfied by publicly filing documents through the EDGAR System. All required reports must be filed with the Exchange on or before the date they are required to be filed with the Commission or Other Regulatory Authority. Annual reports filed with the Exchange shall contain audited financial statements.

(e) The Exchange may request any information or documentation, public or non-public, deemed necessary to make a determination regarding a security's initial listing, including, but not limited to, any material provided to or received from the Commission or Other Regulatory Authority. A Company's security may be denied listing if the Company fails to provide such information within a reasonable period of time or if any communication to the Exchange contains a material misrepresentation or omits material information necessary to make the communication to the Exchange not misleading.

(f) All forms and applications relating to listing of securities on the Exchange referenced in Chapter 14 are available from the Exchange's Regulation Department.

(g) The computation of Publicly Held Shares and Market Value of Publicly Held Shares shall be as of the date of application of the Company.

(h) An account of a Member that is beneficially owned by a customer (as defined in IEX Rule 1.160(j)) will be considered a holder of a security upon appropriate verification by the Member.

(i) A Company may withdraw its application for initial listing at any time.

Rule 14.203. Prerequisites for Applying to List on the Exchange

All Companies applying to list on IEX must meet the following prerequisites:

(a) Registration under 12(b) of the Act. A security shall be eligible for listing on IEX provided that it is: (i) registered pursuant to Section 12(b) of the Act; or (ii) subject to an exemption issued by the Commission that permits the listing of the security notwithstanding its failure to be registered pursuant to Section 12(b).

(b) Auditor Registration. Each Company applying for initial listing must be audited by an independent public accountant that is registered as a public accounting firm with the Public Company Accounting Oversight Board, as provided for in Section 102 of the Sarbanes-Oxley Act of 2002 [15 U.S.C. 7212].

(c) Direct Registration Program. All securities initially listing on IEX, except securities which are book-entry only, must be eligible for a Direct Registration Program operated by a clearing agency registered under Section 17A of the Act. A foreign issuer, as defined under Rule 3b-4 under the Act, including a Foreign Private Issuer, shall not be subject to this requirement if it submits to IEX a written statement from an independent counsel in such Company's home country certifying that a law or regulation in the home country prohibits compliance.

(d) Fees. The Company is required to pay all applicable fees as described in IEX Rule Series 14.600.

(e) Good Standing. No security shall be approved for listing that is delinquent in its filing obligation with the Commission or Other Regulatory Authority or suspended from trading by the Commission pursuant to Section 12(k) of the Act or by the appropriate regulatory authorities of the Company's country of domicile.

(f) Exchange Certification. Upon approval of a listing application, the Exchange shall certify to the Commission, pursuant to Section 12(d) of the Act and the rules thereunder, that it has approved the security for listing and registration. Listing can commence only upon effectiveness of the security's registration pursuant to Section 12(d).

(g) Security Depository.

(1) "Securities Depository" means a securities depository registered as a clearing agency under Section 17A of the Act.

(2) For initial listing, a security shall have a CUSIP number or foreign equivalent identifying the securities included in the file of eligible issues maintained by a Securities Depository in accordance with the rules and procedures of such securities depository. This subparagraph shall not apply to a security if the terms of the security do not and cannot be reasonably modified to meet the criteria for depository eligibility at all Securities Depositories.

(3) A Security Depository's inclusion of a CUSIP number or foreign equivalent identifying a security in its file of eligible issues does not render the security "depository eligible" until:

(A) in the case of any new issue distributed by an underwriting syndicate on or after the date a Securities Depository system for monitoring repurchases of distributed shares by the underwriting syndicate is available, the date of the commencement of trading in such security on the Exchange; or

(B) in the case of any new issue distributed by an underwriting syndicate prior to the date a Securities Depository system for monitoring repurchases of distributed shares by the underwriting syndicate is available where the managing underwriter elects not to deposit the securities on the date of the commencement of trading in such security on the Exchange, such later date designated by the managing underwriter in a notification submitted to the Securities Depository; but in no event more than three (3) months after the commencement of trading in such security on the Exchange.

(h) Limited Partnerships. No security issued in a limited partnership rollup transaction (as defined by Section 14(h) of the Act), shall be eligible for listing unless:

(1) the rollup transaction was conducted in accordance with procedures designed to protect the rights of limited partners as provided in Section 6(b)(9) of the Act, as it may from time to time be amended, and

(2) a broker-dealer that is a member of a national securities association subject to Section 15A(b)(12) of the Act participates in the rollup transaction.

The Company shall further provide an opinion of counsel stating that such broker- dealer's participation in the rollup transaction was conducted in compliance with the rules of a national securities association designed to protect the rights of limited partners, as specified in the Limited Partnership Rollup Reform Act of 1993.

In addition to any other applicable requirements, each limited partnership listed on the Exchange shall have a corporate general partner or co-general partner that satisfies the Independent Director and audit committee requirements set forth in the IEX Rule 14.400 Series.

Note: The only currently existing national securities association subject to Section 15A(b)(12) of the Act is FINRA. Its rules designed to protect the rights of limited partners, pursuant to the Limited Partnership Rollup Reform Act of 1993, are specified in FINRA Rule 2310.

(i) Reverse Mergers. A security issued by a Company formed by a Reverse Merger shall be eligible for initial listing only if the conditions set forth in IEX Rule 14.102(c) are satisfied.

Rule 14.204. American Depositary Receipts

(a) Eligibility. American Depositary Receipts can be listed on the Exchange provided they represent shares in a non-Canadian foreign Company.

(b) Computations. In the case of American Depositary Receipts, annual income from continuing operations and Stockholders' Equity shall relate to the foreign issuer and not to any depositary or any other person deemed to be an issuer for purposes of Form S-12 under the Securities Act of 1933. The underlying security will be considered when determining annual income from continuing operations, Publicly Held Shares, Market Value of Publicly Held Shares,

Stockholders' Equity, Round Lot or Public Holders, operating history, Market Value of Listed Securities, and total assets and total revenue.

Rule 14.205. Additional Requirements for IEX-Listed Securities Issued by the Exchange or its Affiliates

(a) For purposes of this IEX Rule 14.205, the terms below are defined as follows:

(1) "IEX Affiliate" means IEX and any entity that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with IEX, where "control" means that the one entity possesses, directly or indirectly, voting control of the other entity either through ownership of capital stock or other equity securities or through majority representation on the board of directors or other management body of such entity.

(2) "Affiliate Security" means any security issued by an IEX Affiliate, with the exception of Portfolio Depository Receipts and Index Fund Shares as defined in Chapter 16.

(b) Upon initial and throughout continued listing of the Affiliate Security on IEX, IEX shall

(1) file a report quarterly with the Commission detailing IEX's monitoring of:

(A) the IEX Affiliate's compliance with the listing requirements contained in Chapter 14; and

(B) the trading of the Affiliate Security, which shall include summaries of all related surveillance alerts, complaints, regulatory referrals, trades canceled or adjusted pursuant to IEX Rule 11.270, investigations, examinations, formal and informal disciplinary actions, exception reports and trading data of such security.

(2) engage an independent accounting firm once a year to review and prepare a report on the Affiliate Security to ensure that the IEX Affiliate is in compliance with the listing requirements contained in Chapter 14 and promptly forward to the Commission a copy of the report prepared by the independent accounting firm.

(c) In the event that IEX determines that the IEX Affiliate is not in compliance with any of the listing requirements contained in Chapter 14, IEX shall file a report with the Commission within five business days of providing notice to the IEX Affiliate of its non-compliance. The report shall identify the date of non-compliance, type of non-compliance and any other material information conveyed to the IEX Affiliate in the notice of non-compliance. Within five business days of receipt of a plan of compliance from the IEX Affiliate, IEX shall notify the Commission of such receipt, whether the plan of compliance was accepted by IEX or what other action was taken with respect to the plan and the time period provided to regain compliance with Chapter 14, if any.

Rule 14.206. Listing Requirements for Units

(a) Initial and Continued Listing Requirements

(1) All units shall have at least one equity component. All components of such units shall satisfy the requirements for initial and continued listing as IEX Listed securities, or, in the case of debt components, satisfy the requirements of paragraph (a)(2) below.

(2) All debt components of a unit, if any, shall meet the following requirements:

(A) the debt issue must have an aggregate market value or principal amount of at least $5 million;

(B) in the case of convertible debt, the equity into which the debt is convertible must itself be subject to real-time last sale reporting in the United States, and the convertible debt must not contain a provision which gives the company the right, at its discretion, to reduce the conversion price for periods of time or from time to time unless the company establishes a minimum period of ten business days within which such price reduction will be in effect.

(3) All components of the unit shall be issued by the same issuer. All units and issuers of such units shall comply with the initial and continued listing requirements of the Exchange.

(b) Minimum Listing Period and Notice of Withdrawal

In the case of units, the minimum listing period of the units shall be 30 days from the first day of listing, except the period may be shortened if the units are suspended or withdrawn for regulatory purposes. Companies and underwriters seeking to withdraw units from listing must provide the Exchange with notice of such intent at least 15 days prior to withdrawal.

(c) Disclosure Requirements for Units

Each Exchange issuer of units shall include in its prospectus or other offering document used in connection with any offering of securities that is required to be filed with the Commission under the federal securities laws and the rules and regulations promulgated thereunder a statement regarding any intention to delist the units immediately after the minimum inclusion period. The issuer of a unit shall further provide information regarding the terms and conditions of the components of the unit (including information with respect to any original issue discount or other significant tax attributes of any component) and the ratio of the components comprising the unit. A Company shall also disclose when a component of the unit is separately listed on the Exchange. These disclosures shall be made on the Company's website, or if it does not maintain a website, in its annual report provided to unit holders. A Company shall also immediately make a public announcement by filing a Form 8-K, where required by SEC rules, or by issuing a press release disclosing, any change in the terms of the unit, such as changes to the terms and conditions of any of the components (including changes with respect to any original issue discount or other significant tax attributes of any component), or to the ratio of the components within the unit. Such public announcement shall be made as soon as practicable in relation to the effective date of the change.

(d) Market Makers

(1) For initial inclusion, a unit shall have at least three registered and active Market Makers.

(2) For continued listing, a unit shall have at least two registered and active Market Makers, one of which may be a Market Maker entering a stabilizing bid.

Rule 14.207. Obligations for Companies Listed on the Exchange

(a) Obligation to Provide Information to the Exchange

(1) The Exchange may request any additional information or documentation, public or non-public, deemed necessary to make a determination regarding a Company's continued listing, including, but not limited to, any material provided to or received from the Commission or Other Regulatory Authority. A Company may be denied continued listing if it fails to provide such information within a reasonable period of time or if any communication to the Exchange contains a material misrepresentation or omits material information necessary to make the communication to the Exchange not misleading. The Company shall provide full and prompt responses to requests by the Exchange or by FINRA acting on behalf of the Exchange for information related to unusual market activity or to events that may have a material impact on trading of its securities on the Exchange.

(2) As set forth in IEX Rule 14.410, a Company must provide the Exchange with prompt notification after an Executive Officer of the Company becomes aware of any noncompliance by the Company with the requirements of the Rule 14.400 Series.

(b) Obligation to Make Public Disclosure

(1) Disclosure of Material Information

Except in unusual circumstances, an Exchange-listed Company shall make prompt disclosure to the public through any Regulation FD compliant method (or combination of methods) of disclosure of any material information that would reasonably be expected to affect the value of its securities or influence investors' decisions. The Company shall, prior to the release of the information, provide notice of such disclosure to the Exchange's Regulation Department at least ten minutes prior to public announcement if the information involves any of the events set forth in Supplementary Material .01 to this IEX Rule and the public release of the material information is made during System Hours (as defined in IEX Rule 1.160(oo)). If the public release of the material information is made outside of System Hours, Exchange Companies must notify the Exchange's Regulation Department of the material information at least 10 minutes prior to the start of System Hours (as defined in IEX Rule 1.160(oo)). As described in Supplementary Material .01 to this IEX Rule, prior notice to the Exchange's Regulation Department must be made through the electronic disclosure submission system available at the Exchange's Web site, except in emergency situations.

(2) Disclosure of Notification of Deficiency

As set forth in IEX Rule 14.501(c), a listed Company that receives a notification of deficiency from the Exchange is required to make a public announcement by filing a Form 8-K, where required by SEC rules, or by issuing a press release disclosing receipt of the notification and the Rule(s) upon which the deficiency is based, and describing each specific basis and concern identified by the Exchange in reaching its determination that the Company does not meet the listing standard. However, note that in the case of a deficiency related to the requirement to file a periodic report contained in IEX Rule 14.207(c)(1) or (2), the Company is required to make the public announcement by issuing a press release. As described in IEX Rule 14.207(b)(1) above and Supplementary Material .01 below, the Company must notify the Exchange's Regulation Department about the announcement through the electronic disclosure submission system available on the Exchange's Web site, except in emergency situations when notification may instead be provided by telephone or facsimile. If the public announcement is made during System Hours (as defined in IEX Rule 1.160(oo)), the Company must notify the Exchange's Regulation Department at least ten minutes prior to the announcement. If the public announcement is made outside of System Hours (as defined in IEX Rule 1.160(oo)), the Company must notify

the Exchange's Regulation Department of the announcement at least ten minutes prior to the start of System Hours (as defined in IEX Rule 1.160(oo)).

(3) Disclosure of Third Party Director and Nominee Compensation

Companies must disclose all agreements and arrangements in accordance with

this rule by no later than the date on which the Company files or furnishes a proxy or information statement subject to Regulation 14A or 14C under the Act in

connection with the Company's next shareholders' meeting at which directors are elected (or, if they do not file proxy or information statements, no later than when the Company files its next Form 10-K or Form 20-F).

(A) A Company shall disclose either on or through the Company's website or in the proxy or information statement for the next shareholders' meeting at which directors are elected (or, if the Company does not file proxy or information statements, in its Form 10-K or 20-F), the material terms of all agreements and arrangements between any director or nominee for director, and any person or entity other than the Company (the "Third Party"), relating to compensation or other payment in connection with such person's candidacy or service as a director of the Company. A Company need not disclose pursuant to this rule agreements and arrangements that: (i) relate only to reimbursement of expenses in connection with candidacy as a director; (ii) existed prior to the nominee's candidacy (including as an employee of the other person or entity) and the nominee's relationship with the Third Party has been publicly disclosed in a proxy or information statement or annual report (such as in the director or nominee's biography); or (iii) have been disclosed under Item 5(b) of Schedule 14A of the Act or Item 5.02(d)(2) of Form 8-K in the current fiscal year. Disclosure pursuant to Commission rule shall not relieve a Company of its annual obligation to make disclosure under subparagraph (B).

(B) A Company must make the disclosure required in subparagraph (A) at least annually until the earlier of the resignation of the director or one year following the termination of the agreement or arrangement.

(C) If a Company discovers an agreement or arrangement that should have been disclosed pursuant to subparagraph (A) but was not, the Company must promptly make the required disclosure by filing a Form 8-K or 6-K, where required by SEC rules, or by issuing a press release. Remedial disclosure under this subparagraph, regardless of its timing, does not satisfy the annual disclosure requirements under subparagraph (B).

(D) A Company shall not be considered deficient with respect to this paragraph for purposes of IEX Rule 14.501 if the Company has undertaken reasonable efforts to identify all such agreements or arrangements, including asking each director or nominee in a manner designed to allow timely disclosure, and makes the disclosure required by subparagraph (C) promptly upon discovery of the agreement or arrangement. In all other cases, the Company must submit a plan sufficient to satisfy Exchange staff that the Company has adopted processes and procedures designed to identify and disclose relevant agreements or arrangements.

(E) A Foreign Private Issuer may follow its home country practice in lieu of the requirements of IEX Rule 14.207(b)(3) by utilizing the process described in IEX Rule 14.407(a)(3).

(c) Obligation to File Periodic Financial Reports

(1) A Company shall timely file all required periodic financial reports with the Commission through the EDGAR System or with the Other Regulatory Authority. A Company that does not file through the EDGAR System shall supply to the Exchange two (2) copies of all reports required to be filed with the Other Regulatory Authority or email an electronic version of the report to the Exchange at continuedlisting@IEXtrading.com. All required reports must be filed with the Exchange on or before the date they are required to be filed with the Commission or Other Regulatory Authority. Annual reports filed with the Exchange shall contain audited financial statements.

(2) Foreign Private Issuer Interim Reports

Each Foreign Private Issuer shall submit on a Form 6-K an interim balance sheet and income statement as of the end of its second quarter. This information, which must be presented in English, but does not have to be reconciled to U.S. GAAP, must be provided no later than six months following the end of the Company's second quarter. In the case of a Foreign Private Issuer that is a limited partnership, such information shall be distributed to limited partners if required by statute or regulation in the jurisdiction in which the limited partnership is formed or doing business or by the terms of the partnership's limited partnership agreement.

(3) Auditor Registration

Each listed Company shall be audited by an independent public accountant that is registered as a public accounting firm with the Public Company Accounting Oversight Board, as provided for in Section 102 of the Sarbanes-Oxley Act of 2002 [15 U.S.C. 7212].

(d) Distribution of Annual and Interim Reports

(1) Distribution of Annual Reports. Each Company (including a limited partnership) shall make available to Shareholders an annual report containing audited financial statements of the Company and its subsidiaries (which, for example, may be on Form 10-K, 20-F, 40-F or N-CSR) within a reasonable period of time following the filing of the annual report with the Commission. A Company may comply with this requirement either:

(A) by mailing the report to Shareholders;

(B) by satisfying the requirements for furnishing an annual report contained in Rule 14a-16 under the Act; or

(C) by posting the annual report to Shareholders on or through the Company's website (or, in the case of a Company that is an investment company that does not maintain its own website, on a website that the Company is allowed to use to satisfy the website posting requirement in Rule 16a-3(k) under the Act), along with a prominent undertaking in the English language to provide Shareholders, upon request, a hard copy of the Company's annual report free of charge. A Company that chooses to satisfy this requirement pursuant to this paragraph (C) must, simultaneous with this posting, issue a press release stating that its annual report has been filed with the Commission (or Other Regulatory Authority). This press release shall also state that the annual report is available on the Company's website and include the website address and that Shareholders may receive a hard copy free of charge upon request. A Company must provide such hard copies within a reasonable period of time following the request.

(2) Distribution of Interim Reports. Exchange Companies that distribute interim reports to Shareholders should distribute such reports to both registered and beneficial Shareholders. Exchange Companies are also

encouraged to consider additional technological methods to communicate such information to Shareholders in a timely and less costly manner as such technology becomes available.

(3) Access to Quarterly Reports.

(A) Each Company that is not a limited partnership (limited partnerships are governed by paragraph (B) below) and is subject to Rule 13a-13 under the Act shall make available copies of quarterly reports including statements of operating results to Shareholders either prior to or as soon as practicable following the Company's filing of its Form 10-Q with the Commission. If the form of such quarterly report differs from the Form 10-Q, the Company shall file one copy of the report with the Exchange in addition to filing its Form 10-Q pursuant to Rule 14.207(c)(1). The statement of operations contained in quarterly reports shall disclose, at a minimum, any substantial items of an unusual or non-recurrent nature and net income before and after estimated federal income taxes or net income and the amount of estimated federal taxes.

(B) Each Company that is a limited partnership and is subject to Rule 13a-13 under the Act shall make available copies of quarterly reports including statements of operating results to limited partners either prior to or as soon as practicable following the partnership's filing of its Form 10-Q with the Commission. Such reports shall be distributed to limited partners if required by statute or regulation in the state in which the limited partnership is formed or doing business or by the terms of the partnership's limited partnership agreement. If the form of such quarterly report differs from the Form 10-Q, the Company shall file one copy of the report with the Exchange in addition to filing its Form 10-Q pursuant to IEX Rule 14.207(c)(1). The statement of operations contained in quarterly reports shall disclose, at a minimum, any substantial items of an unusual or non-recurrent nature and net income before and after estimated federal income taxes or net income and the amount of estimated federal taxes.

(4) Access to Interim Reports

(A) Each Company that is not a limited partnership and is not subject to Rule 13a-13 under the Act and that is required to file with the Commission, or Other Regulatory Authority, interim reports relating primarily to operations and financial position, shall make available to Shareholders reports which reflect the information contained in those interim reports. Such reports shall be made available to Shareholders either before or as soon as practicable following filing with the appropriate regulatory authority. If the form of the interim report provided to Shareholders differs from that filed with the regulatory authority, the Company shall file one copy of the report to Shareholders with the Exchange in addition to the report to the regulatory authority that is filed with the Exchange pursuant to IEX Rule 14.207(c)(1).

(B) Each Company that is a limited partnership that is not subject to Rule 13a-13 under the Act and is required to file with the Commission, or Other Regulatory Authority, interim reports relating primarily to operations and financial position, shall make available to limited partners reports which reflect the information contained in those interim reports. Such reports shall be distributed to limited partners if required by statue or regulation in the state in which the limited partnership is formed or doing business or by the terms of the partnership's limited partnership agreement. Such reports shall be distributed to limited partners either before or as soon as practicable following filing with the appropriate regulatory authority. If the form of the interim report provided to limited partners differs from that filed with the regulatory

authority, the Company shall file one copy of the report to limited partners with the Exchange in addition to the report to the regulatory authority that is filed with the Exchange pursuant to IEX Rule 14.207(c)(1).

(5) A Foreign Private Issuer may follow its home country practice in lieu of the requirements of IEX Rule 14.207(d)(1), (2), (3), or (4) or by utilizing the process described in IEX Rule 14.407(a)(3).

(6) The Company shall comply with any obligation of any person regarding filing or disclosure of information material to the Company or the security, whether such obligation arises under the securities laws of the United States or the Company's country of domicile, or other applicable federal or state statutes or rules.

(e) Exchange Notification Requirements. Various corporate events resulting in material changes will trigger the requirement for Companies to submit certain forms and applicable fees to the Exchange as specified below. All applicable forms can be found on the Exchange's Web site.

(1) Change in Number of Shares Outstanding. The Company shall file, on a form designated by the Exchange no later than 10 days after the occurrence, any aggregate increase or decrease of any class of securities listed on the Exchange that exceeds 5% of the amount of securities of the class outstanding.

(2) Listing of Additional Shares. A Company shall be required to notify the Exchange, except for a Company solely listing American Depositary Receipts, at least 15 calendar days prior to:

(A) establishing or materially amending a stock option plan, purchase plan or other equity compensation arrangement pursuant to which stock may be acquired by officers, directors, employees, or consultants without shareholder approval; however the Exchange recognizes that when a Company makes an equity grant to induce an individual to accept employment, as permitted by the exception contained in IEX Rule 14.412(c)(4), it may not be practical to provide the advance notice otherwise required by this IEX Rule. Therefore, when a Company relies on that exception to make such an inducement grant without shareholder approval, it is sufficient to notify the Exchange about the grant and the use of the exception no later than the earlier of: (x) five calendar days after entering into the agreement to issue the securities; or (y) the date of the public announcement of the award required by IEX Rule 14.412(c)(4); or

(B) issuing securities that may potentially result in a change of control of the Company; or

(C) issuing any common stock or security convertible into common stock in connection with the acquisition of the stock or assets of another company, if any officer or director or Substantial Shareholder of the Company has a 5% or greater interest (or if such persons collectively have a 10% or greater interest) in the Company to be acquired or in the consideration to be paid; or

(D) issuing any common stock, or any security convertible into common stock in a transaction that may result in the potential issuance of common stock (or securities convertible into common stock) greater than 10% of either the total shares outstanding or the voting power outstanding on a pre- transaction basis.

The notifications required by this paragraph must be made on the Notification Form: Listing of Additional Shares and the Exchange encourages Companies to file this form as soon as practicable, even if all of the relevant terms are not yet known. The Exchange reviews these forms to determine compliance with applicable IEX Rules, including the shareholder approval requirements. Therefore, if a Company fails to file timely the form

required by this paragraph, the Exchange may issue either a Public Reprimand Letter or a Delisting Determination (pursuant to IEX Rule 14.500).

(3) Record Keeping Change

(A) The Company shall file on a form designated by the Exchange notification of any change to its name, the par value or title of its security, its symbol, or a similar change, no later than 10 days after the change.

(B) The Company shall also notify the Exchange promptly in writing, absent any fees, of any change in the general character or nature of its business and any change in the address of its principal executive offices.

(4) Substitution Listing. The Company shall notify the Exchange of a Substitution Listing Event (other than a re-incorporation or a change to a Company's place of organization) no later than 15 calendar days prior to the implementation of such event by filing the appropriate form as designated by the Exchange. For a re-incorporation or change to a Company's place of organization, a Company shall notify the Exchange as soon as practicable after such event has been implemented by filing the appropriate form as designated by the Exchange.

(5) Transfer Agent, Registrar, ADR Bank Changes. The issuer of any class of securities listed on the Exchange, except for American Depositary Receipts, shall notify the Exchange promptly in writing of any change in the Company's transfer agent or registrar.

(6) Dividend Action or Stock Distribution. In the case of any dividend action or action relating to a stock distribution of a listed stock the Company shall, no later than 10 calendar days prior to the record date of such action:

(A) Notify the Exchange by filing the appropriate form as designated by the Exchange; and

(B) Provide public notice using a Regulation FD compliant method.

(C) Notice to the Exchange should be given as soon as possible after declaration and, in any event, no later than simultaneously with the public notice.

(f) Obligation to Pay Fees. The Company is required to pay all applicable fees as described in the Rule 14.600 Series.

• • • Supplementary Material • • •

.01 Disclosure of Material Information

(a) General Disclosure Requirements

Rule 14.207(b)(1) requires that, except in unusual circumstances, Exchange Companies disclose promptly to the public through any Regulation FD compliant method (or combination of methods) of disclosure any material information that would reasonably be expected to affect the value of their securities or influence investors' decisions. Exchange Companies must notify the Exchange at least ten minutes prior to the release to the public of material information that involves any of the events set forth below when the public release of the information is made during System Hours (as defined in IEX Rule 1.160(oo)). If the public release of the material information is made outside of System Hours (as defined in IEX Rule 1.160(oo)), Exchange Companies must notify the Exchange's Regulation Department of the material information at least ten minutes prior to the start of System Hours (as defined in IEX Rule 1.160(oo)). Under unusual circumstances Companies may not be required to make public disclosure

of material events; for example, where it is possible to maintain confidentiality of those events and immediate public disclosure would prejudice the ability of the Company to pursue its legitimate corporate objectives. However, the Exchange Companies remain obligated to disclose this information to the Exchange upon request pursuant to IEX Rule 14.207(a).

Whenever unusual market activity takes place in an Exchange Company's securities, the Company normally should determine whether there is material information or news which should be disclosed. If rumors or unusual market activity indicate that information on impending developments has become known to the investing public, or if information from a source other than the Company becomes known to the investing public, a clear public announcement may be required as to the state of negotiations or development of Company plans. Such an announcement may be required, even though the Company may not have previously been advised of such information or the matter has not yet been presented to the Company's Board of Directors for consideration. In certain circumstances, it may also be appropriate to publicly deny false or inaccurate rumors, which are likely to have, or have had, an effect on the trading in its securities or would likely have an influence on investment decisions.

(b) Notification to the Exchange's Regulation Department

Companies must notify the Exchange's Regulation Department prior to the distribution of certain material news at least ten minutes prior to public announcement of the news when the public release of the information is made during System Hours (as defined in IEX Rule 1.160(oo)). If the public release of the material information is made outside of System Hours (as defined in IEX Rule 1.160(oo)), the Company must notify the Exchange's Regulation Department of the material information at least ten minutes prior to the start of System Hours (as defined in IEX Rule 1.160(oo)). Except in emergency situations, this notification must be made through the Exchange's electronic disclosure submission system available on the Exchange's Web site. In emergency situations, Companies may instead provide notification by telephone or facsimile. Examples of an emergency situation include: lack of computer or internet access; technical problems on the Exchange and a material development such that no draft disclosure document exists, but immediate notification to the Exchange's Regulation Department is important based on the material event.

If a Company repeatedly fails to either notify the Exchange at least ten minutes prior to the distribution of material news during System Hours (as defined in IEX Rule 1.160(oo)) or at least ten minutes prior to the start of System Hours (as defined in IEX Rule 1.160(oo))for material news distributed outside of System Hours (as defined in IEX Rule 1.160(oo)), or repeatedly fails to use the electronic disclosure submission system when the Exchange finds no emergency situation existed, the Exchange may issue a Public Reprimand Letter (as defined in IEX Rule 14.500(b)(5)) or, in extreme cases, a Staff Delisting Determination (as defined in IEX Rule 14.500(b)(7)). In determining whether to issue a Public Reprimand Letter, the Exchange will consider whether the Company has demonstrated a pattern of failures, whether the Company has been contacted concerning previous violations, and whether the Company has taken steps to assure that future violations will not occur.

(c) Trading Halts

A trading halt benefits current and potential Shareholders by halting all trading in any Exchange securities until there has been an opportunity for the information to be disseminated to the public. This decreases the possibility of some investors acting on information known only to them. A trading halt provides the public with an opportunity to evaluate the information and consider it in making investment decisions. It also alerts the marketplace to the fact that news has been released.

The Exchange's Regulation Department monitors real time trading in all Exchange securities during the trading day for price and volume activity. In the event of certain price and volume movements, the Exchange's Regulation Department may contact a Company and its Market Makers in order to ascertain the cause of the unusual market activity. The Exchange's Regulation Department treats the information provided by the Company and other sources in a highly confidential manner, and uses it to assess market activity and assist in maintaining fair and orderly markets. An Exchange listing includes an obligation to disclose to the Exchange's Regulation Department information that the Company is not otherwise disclosing to the investing public or the financial community. On, occasion, changes in market activity prior to the Company's release of material information may indicate that the information has become known to the investing public. Changes in market activity also may occur when there is a release of material information by a source other than the Company, such as when an Exchange Company is subject to an unsolicited take-over bid by another company. Depending on the nature of the event and the Company's views regarding the business advisability of disclosing the information, the Exchange's Regulation Department may work with the Company to

accomplish a timely release of the information. Furthermore, depending on the materiality of the information and the anticipated effect of the information on the price of the Company's securities, the Exchange's Regulation Department may advise the Company that a temporary trading halt is appropriate to allow for full dissemination of the information and to maintain an orderly market. The institution of a temporary trading halt pending the release of information is not a reflection on the value of the securities halted. Such trading halts are instituted, among other reasons, to insure that material information is fairly and adequately disseminated to the investing public and the marketplace, and to provide investors with the opportunity to evaluate the information in making investment decisions. A trading halt normally lasts one half hour but may last longer if a determination is made that news has not been adequately disseminated or that the original or an additional basis under IEX Rule 11.280 exists for continuing the trading halt.

The Exchange's Regulation Department is required to keep non-public information, confidential and to use such information only for regulatory purposes.

Companies are required to notify the Exchange's Regulation Department of the release of material information included in the following list of events at least ten minutes prior to the release of such information to the public when the public release of the information is made during System Hours (as defined in IEX Rule 1.160(oo)):

(1) Financial-related disclosures, including quarterly or yearly earnings, earnings restatements, pre-announcements or "guidance."

(2) Corporate reorganizations and acquisitions, including mergers, tender offers, asset transactions and bankruptcies or receiverships.

(3) New products or discoveries, or developments regarding customers or suppliers (e.g., significant developments in clinical or customer trials, and receipt or cancellation of a material contract or order).

(4) Senior management changes of a material nature or a change in control.

(5) Resignation or termination of independent auditors, or withdrawal of a previously issued audit report.

(6) Events regarding the Company's securities — e.g., defaults on senior securities, calls of securities for redemption, repurchase plans, stock splits or changes in dividends, changes to the rights of security holders, or public or private sales of additional securities.

(7) Significant legal or regulatory developments. Regulation FD

(8) Any event requiring the filing of a Form 8-K.

If the public release of the material information is made outside of System Hours (as defined in IEX Rule 1.160(oo)), Exchange Companies must notify the Exchange's Regulation Department of the material information at least 10 minutes prior to the start of System Hours (as defined in IEX Rule 1.160(oo)). It should also be noted that every development that might be reported to the Exchange in these areas would not necessarily be deemed to warrant a trading halt. In addition to the list of events set forth above, the Exchange encourages Companies to avail themselves of the opportunity for advance notification to the Exchange's Regulation Department in situations where they believe, based upon their knowledge of the significance of the information, that a temporary trading halt may be necessary or appropriate.

.02 Use of Regulation FD Compliant Methods in the Disclosure of Material Information

Regardless of the method of disclosure that a Company chooses to use, Companies are required to notify the Exchange's Regulation Department of the release of material information that involves any of the events set forth above at least ten minutes prior to its release to the public when the public release of the information is made during System Hours (as defined in IEX Rule 1.160 (mm)). If the public release of the material information is made outside of System Hours (as defined in IEX Rule 1.160(oo)), Exchange Companies

must notify IEX Regulation of the material information at least 10 minutes prior to the start of System Hours (as defined in IEX Rule 1.160(oo)). When a Company chooses to utilize a Regulation FD compliant method for disclosure other than a press release or Form 8-K, the Company will be required to provide prior notice to the Exchange's Regulation Department of: 1) the press release announcing the logistics of the future disclosure event; and 2) a descriptive summary of the material information to be announced during the disclosure event if the press release does not contain such a summary.

Depending on the materiality of the information and the anticipated effect of the information on the price of the Company's securities, the Exchange's Regulation Department may advise the Company that a temporary trading halt is appropriate to allow for full dissemination of the information and to maintain an orderly market. The Exchange's Regulation Department will assess with Companies using methods of disclosure other than a press release or Form 8-K the timing within the disclosure event when the Company will cover the material information so that the halt can be commenced accordingly. Companies will be responsible for promptly alerting the Exchange's Regulation Department of any significant changes to the previously outlined disclosure timeline. Companies are reminded that the posting of information on the company's website may not by itself be considered a sufficient method of public disclosure under Regulation FD and SEC guidance and releases thereunder, and as a result, under IEX Rules.

.03 Disclosure of Third Party Director and Nominee Compensation

IEX Rule 14.207(b)(3) requires listed companies to publicly disclose the material terms of all agreements and arrangements between any director or nominee and any person or entity (other than the Company) relating to compensation or other payment in connection with that person's candidacy or service as a director. The terms "compensation" and "other payment" as used in this rule are not limited to cash payments and are intended to be construed broadly.

Subject to exceptions provided in the rule, the disclosure must be made on or through the Company's website or in the proxy or information statement for the next shareholders' meeting at which directors are elected in order to provide shareholders with information and sufficient time to help them make meaningful voting decisions. A Company posting the requisite disclosure on or through its website must make it publicly available no later than the date on which the Company files a proxy or information statement in connection with such shareholders' meeting (or, if they do not file proxy or information statements, no later than when the Company files its next Form 10-K or Form 20-F). Disclosure made available on the Company's website or through it by hyperlinking to another website, must be continuously accessible. If the website hosting the disclosure subsequently becomes inaccessible or that hyperlink inoperable, the company must promptly restore it or make other disclosure in accordance with this rule.

IEX Rule 14.207(b)(3) does not separately require the initial disclosure of newly entered into agreements or arrangements, provided that disclosure is made pursuant to this rule for the next shareholders' meeting at which directors are elected. In addition, for publicly disclosed agreements and arrangements that existed prior to the nominee's candidacy and thus not required to be disclosed in accordance with IEX Rule 14.207(b)(3)(A)(ii) but where the director or nominee's remuneration is thereafter materially increased specifically in connection with such person's candidacy or service as a director of the Company, only the difference between the new and previous level of compensation or other payment obligation needs be disclosed.

All references in this rule to proxy or information statements are to the definitive versions thereof.

(Amended by SR-IEX-2016-19 eff. December 12, 2016).

Rule 14.208. Direct Registration Program

(a) Except as indicated in paragraph (c) below, all securities listed on the Exchange (except securities which are book-entry only) must be eligible for a Direct Registration Program operated by a clearing agency registered under Section 17A of the Act.

(b) If a Company establishes or maintains a Direct Registration Program for its Shareholders, the Company shall, directly or through its transfer agent, participate in an electronic link with a clearing agency registered under Section 17A of the Act to facilitate the electronic transfer of securities held pursuant to such program.

(c) Exemption

A foreign issuer, as defined under Rule 3b-4 under the Act, including a Foreign Private Issuer shall not be subject to this requirement if it submits to the Exchange a written statement from an independent counsel in such Company's home country certifying that a law or regulation in its home country prohibits compliance.

Rule 14.300. Listings Requirements

Rule 14.301. General Listing Requirements

This section contains the initial and continued listing requirements and standards for listing a Company's Primary Equity Security on the Exchange. This section also contains the initial and continued listing requirements for Rights and Warrants, and Preferred and Secondary Classes of Common Stock on the Exchange.

In addition to meeting the quantitative requirements in this section, a Company must meet the requirements of IEX Rule Series 14.200, including the disclosure obligations set forth in IEX Rule 14.207, the Corporate Governance requirements set forth in the IEX Rule Series 14.400, and pay any applicable fees in the IEX Rule Series 14.600. A Company's failure to meet any of the continued listing requirements will be processed in accordance with the provisions set forth in IEX Rule Series 14.500.

For the requirements relating to other securities listed on the Exchange, see Chapter 16.

Rule 14.302. Definitions and Computations

(a) A Company is affiliated with another Company if that other Company, directly or indirectly though one or more intermediaries, controls, is controlled by, or is under common control of the Company. Control, for these purposes, means having the ability to exercise significant influence. Ability to exercise significant influence will be presumed to exist where the parent or affiliated Company directly or indirectly owns 20% or more of the other Company's voting securities, and also can be indicated by representation on the board of directors, participation in policy making processes, material intercompany transactions, interchange of managerial personnel, or technological dependency.

(b) In computing Cash Flows, IEX will rely on the net cash provided by operating activities, as reported in the Company's financial information as filed with the Commission in the Company's most recent periodic report and/or registration statement excluding changes in working capital or in operating assets and liabilities.

(c) In computing income from continuing operations before income taxes, IEX will rely on a Company's financial information as filed with the Commission in the Company's most recent periodic report and/or registration statement.

(d) In computing the number of Publicly Held Shares, IEX will not consider shares held by an officer, director or 10% or greater Shareholder of the Company.

(e) In the case of a Company listing in connection with its initial public offering, compliance with the market capitalization requirements of IEX Rules 14.310(b)(2), (3), and (4) will be based on the Company's market capitalization at the time of listing.

(f) A period of less than three months shall not be considered a Fiscal Year, even if reported as a stub period in the Company's publicly reported financial statements.

(g) If a Company has less than three years of publicly reported financial data, it may qualify under IEX Rule 14.310(b)(1) if it has (1) reported aggregate income from continuing operations before income taxes of at least $11 million, and (2) positive income from continuing operations before income taxes in each of the reported fiscal years.

(h) If a Company has less than three years of publicly reported financial data, it may qualify under IEX Rule 14.310(b)(2) if it has (1) reported aggregate cash flows of at least $27.5 million, and (2) positive cash flows in each of the reported fiscal years.

(i) In computing total assets and stockholders' equity for purposes of IEX Rule 14.310(b)(4), IEX will rely on a Company's most recent publicly reported financial statements subject to the adjustments described below:

(1) Application of Use of Proceeds - If a company is in registration with the SEC and is in the process of an equity offering, adjustments should be made to reflect the net proceeds of that offering, and the specified intended application(s) of such proceeds to:

(A) Pay off existing debt or other financial instruments: The adjustment will include elimination of the actual historical interest expense on debt or other financial instruments classified as liabilities under generally accepted accounting principles being retired with offering proceeds of all relevant periods or by conversion into common stock at the time of an initial public offering occurring in conjunction with the company's listing. If the event giving rise to the adjustment occurred during a time-period such that pro forma amounts are not set forth in the SEC registration statement (typically, the pro forma effect of repayment of debt will be provided in the current registration statement only with respect to the last fiscal year plus any interim period in accordance with SEC rules), the company must prepare the relevant adjusted financial data to reflect the adjustment to its historical financial data, and its outside audit firm must provide a report of having applied agreed-upon procedures with respect to such adjustments. Such report must be prepared in accordance with the standards established by the American Institute of Certified Public Accountants.

(B) Fund an acquisition:

(i) The adjustments will include those applicable with respect to acquisition(s) to be funded with the proceeds. Adjustments will be made that are disclosed as such in accordance with Rule 3-05 "Financial Statements of Business Acquired or to be Acquired" and Article 11 of Regulation S-X. Adjustments will be made for all the relevant periods for those acquisitions for which historical financial information of the acquiree is required to be disclosed in the SEC registration statement; and

(ii) Adjustments applicable to any period for which pro forma numbers are not set forth in the registration statement shall be accompanied by the relevant adjusted financial data to combine the historical results of the acquiree (or relevant portion thereof) and acquiror, as disclosed in the company's SEC filing. Under SEC rules, the number of periods disclosed depends upon the significance level of the acquiree to the acquiror. The adjustments will include those necessary to reflect (a) the allocation of the purchase price, including adjusting assets and liabilities of the acquiree to fair value recognizing any intangibles (and associated amortization and depreciation), and (b) the effects of additional financing to complete the acquisition. The company must prepare the relevant adjusted financial data to reflect the adjustment to its historical financial data, and its outside audit firm must provide a report of having applied agreed-upon procedures with respect to such adjustments. Such report must be

prepared in accordance with the standards established by the American Institute of Certified Public Accountants.

(2) Acquisitions and Dispositions - In instances other than acquisitions (and related dispositions of part of the acquiree) funded with the use of proceeds, adjustments will be made for those acquisitions and dispositions that are disclosed as such in a company's financial statements in accordance with Rule 3-05 "Financial Statements of Business Acquired or to be Acquired" and Article 11 of Regulation S-X. If the disclosure does not specify pre-tax earnings from continuing operations, minority interest, and equity in the earnings or losses of investees, then such data must be prepared by the company's outside audit firm for the Exchange's consideration. In this regard, the audit firm would have to issue an independent accountant's report on applying agreed-upon procedures in accordance with the standards established by the American Institute of Certified Public Accountants.

Rule 14.310. Initial Listing Requirements for Primary Equity Securities

(a) For initial listing on the Exchange, a Company's Primary Equity Security must meet the following requirements:

(1) Minimum bid price of at least $4 per share;

(2) At least 1,250,000 Publicly Held Shares;

(3) Shareholders:

(A) At least 450 round lot shareholders; or

(B) At least 2,200 total shareholders; or

(C) At least 550 total shareholders and an average monthly trading volume over the prior 12 months of at least 1,100,000 shares per month.

(4) Market Value of Publicly Held Shares requirement:

(A) At least $110 million; or

(B) At least $100 million and stockholders' equity of at least $110,000,000; or

(C) At least $45 million in the case of: (i) a Company listing in connection with its initial public offering; and (ii) a Company that is affiliated with, or a spin-off from, another Company listed on the Exchange.

(b) For initial listing on the Exchange, a Company must meet the requirements of subparagraphs (1), (2), (3) or (4) below:

(1) (i) Aggregate income from continuing operations before income taxes of at least $11 million over the prior three fiscal years, (ii) positive income from continuing operations before income taxes in each of the prior three fiscal years, and (iii) at least $2.2 million income from continuing operations before income taxes in each of the two most recent fiscal years; or

(2) (i) Aggregate cash flows of at least $27.5 million over the prior three fiscal years, (ii) positive cash flows in each of the prior three fiscal years, and (iii) average market capitalization of at least $550

million over the prior 12 months and total revenue of at least $110 million in the previous fiscal year; or

(3) (i) Average market capitalization of at least $850 million over the prior 12 months, and (ii) total revenue of at least $90 million in the previous fiscal year; or

(4) (i) Market capitalization of at least $160 million, (ii) total assets of at least $80 million, and (iii) stockholders' equity of at least $55 million.

(c) For initial listing on the Exchange, a Company must have four registered and active Market Makers unless it meets one of the following requirements below in which case it must have three registered and active Market Makers:

(1) (i) Annual income from continuing operations before income taxes of at least $1 million in the most recently completed fiscal year or in two of the three most recently completed fiscal years; (ii) stockholders' equity of at least $15 million; and (iii) Market Value Of Publicly Held Shares of at least $8 million; or

(2) (i) Stockholders' equity of at least $30 million; (ii) two-year operating history; and (iii) Market Value Of Publicly Held Shares of at least $18 million.

(d) However, if a Company is a closed end management investment company registered under the Investment Company Act of 1940, it must meet the requirements of IEX Rules 14.310(a)(1) – (3) and 14.310(c) but not the requirements of IEX Rule 14.310(b). In lieu of meeting the requirements of 14.310(b) a closed end management investment company must have a Market Value of Publicly Held Shares of at least $70 million.

(1) A closed end management investment company that is listed concurrently with other closed end management investment companies that have a common investment adviser or whose investment advisers are "affiliated persons" as defined in the Investment Company Act of 1940 (a "Fund Family") shall be eligible if:

(A) The total Market Value Of Publicly Held Shares in such Fund Family is at least $220 million;

(B) The average Market Value Of Publicly Held Shares for all funds in the Fund Family is at least $50 million; and

(C) Each fund in the Fund Family has a Market Value of Publicly Held Shares of at least $35 million.

(e) A business development company as defined in Section 2 of the Investment Company Act of 1940 must meet the applicable requirements of IEX Rules 14.310(a) and 14.310(c) but not the requirements of IEX Rule 14.310(b). In lieu of meeting the requirements of IEX Rule 14.310(b) a business development company must have a Market Value of Listed Securities of at least $80 million.

Rule 14.311. Initial Listing Requirements for Rights and Warrants

For initial listing, the rights or warrants must meet all the requirements below:

(a) At least 450,000 rights or warrants issued;

(b) The underlying security must be listed on the Exchange or be a Covered Security

(c) There must be at least three registered and active Market Makers; and

(d) In the case of warrants, there must be at least 400 Round Lot Holders (except that this requirement will not apply to the listing of warrants in connection with the initial firm commitment underwritten public offering of such warrants).

Rule 14.315. Initial Listing Requirements for Preferred Stock and Secondary Classes of Common Stock

(a) When the Primary Equity Security of the Company is listed on the Exchange or is a Covered Security, the preferred stock or secondary class of common stock must meet all of the requirements set forth in (1) through (5) below.

(1) At least 200,000 Publicly Held Shares;

(2) Market Value of Publicly Held Shares of at least $4 million;

(3) Minimum bid price of at least $4 per share;

(4) At least 100 Round Lot Holders; and

(5) At least three registered and active Market Makers.

(b) When the Company's Primary Equity Security is not listed on the Exchange or a Covered Security, the preferred stock and/or secondary class of common stock may be listed on the Exchange so long as it satisfies the initial listing criteria for Primary Equity Securities set forth in IEX Rule 14.310.

Rule 14.316. Listing Requirements for Securities Not Otherwise Specified (Other Securities)

(a) Initial Listing Requirements

(1) IEX will consider listing any security not otherwise covered by the criteria in the Rule 14.300 Series, provided the instrument is otherwise suited to trade through the facilities of IEX. 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 IEX Rule 14.310(b)(1), IEX 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 IEX Rule 14.316 must be listed on IEX, the NASDAQ Global Market, NASDAQ Global Select Market or the New York Stock Exchange (NYSE) or be an affiliate of a Company listed on IEX, the NASDAQ Global Market, NASDAQ Global Select Market or the NYSE; provided, however, that the provisions of IEX Rule 14.300 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, IEX will evaluate the nature and complexity of the issue and, if appropriate, distribute a circular to the membership providing guidance regarding IEX 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.

Rule 14.320. Continued Listing Requirements and Standards for Primary Equity Securities

A Company that has its Primary Equity Security listed on the Exchange must continue to meet all of the requirements set forth in paragraph (a) below and at least one of the Standards in paragraph (b) below. Failure to meet any of the continued listing requirements will be processed in accordance with the provisions set forth in IEX Rule 14.500.

(a) Continued Listing Requirements for Primary Equity Securities:

(1) Minimum bid price of $1 per share ; and

(2) At least 400 Total Holders.

(b) Continued Listing Standards for Primary Equity Securities:

(1) Equity Standard

(A) Stockholders' equity of at least $10 million;

(B) At least 750,000 Publicly Held Shares;

(C) Market Value of Publicly Held Shares of at least $5 million; and

(D) At least two registered and active Market Makers

(2) Market Value Standard

(A) Market Value of Listed Securities of at least $50 million;

(B) At least 1,100,000 Publicly Held Shares;

(C) Market Value of Publicly Held Shares of at least $15 million; and

(D) At least four registered and active Market Makers

(3) Total Assets/Total Revenue Standard

(A) Total assets and total revenue of at least $50 million each for the most recently completed fiscal year or two of the three most recently completed fiscal years;

(B) At least 1,100,000 Publicly Held Shares;

(C) Market Value of Publicly Held Shares of at least $15 million; and

(D) At least four registered and active Market Makers

Rule 14.330. Continued Listing Requirements for Rights and Warrants

For continued listing, the rights or warrants must meet all the requirements below:

(a) The underlying security must continue to be listed on the Exchange or be a Covered Security; and

(b) There must be at least two registered and active Market Makers, one of which may be a Market Maker entering a stabilizing bid.

Rule 14.340. Continued Listing Requirements for Preferred Stock and Secondary Classes of Common Stock

(a) When the Company's Primary Equity Security of the Company is listed on the Exchange or is a Covered Security, the preferred stock or secondary class of common stock must meet all of the requirements set forth in (1) through (5) below.

(1) At least 100,000 Publicly Held Shares;

(2) A Market Value of Publicly Held Shares of at least $1,000,000;

(3) Minimum bid price of at least $1 per share;

(4) At least 100 Public Holders; and

(5) At least two registered and active Market Makers

(b) When the Primary Equity Security of the Company is not listed on the Exchange or a Covered Security, the preferred stock and/or secondary class of common stock may continue to be listed on the Exchange so long as it satisfies the continued listing criteria for Primary Equity Securities set forth in IEX Rule 14.320.

Rule 14.400. Corporate Governance Requirements

Rule 14.401. Background

(a) In addition to meeting applicable quantitative requirements in IEX Rule Series 14.300, Companies applying to list and listed on the Exchange must meet the qualitative requirements outlined in this IEX Rule Series 14.400. These requirements include rules relating to a Company's board of directors, including audit committees and Independent Director oversight of executive compensation and the director nomination process; code of conduct; shareholder meetings, including proxy solicitation and quorum; review of related party transactions; and shareholder approval, including voting rights. Exemptions to these rules are set forth in IEX Rule 14.407 below.

(b) The Exchange maintains a website that provides guidance on the applicability of the corporate governance requirements by FAQs and published summaries of anonymous versions of previously issued staff interpretative letters. Companies are encouraged to contact IEX Regulation to discuss any complex issues or transactions. Companies can also submit a request for a written interpretation pursuant to paragraph (c) below.

(c) Listed companies may request from IEX a written interpretation of the Rules contained in Chapter 14. A response to such request will generally be provided within one-week following receipt by IEX Regulation of all information necessary to respond to the request.

Rule 14.405. Board of Directors and Committees

(a) Definitions

(1) "Executive Officer" means those officers covered in Rule 16a-1(f) under the Act.

(2) "Independent Director" means a person other than an Executive Officer or employee of the Company or any other individual having a relationship which, in the opinion of the Company's board of directors, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. For purposes of this IEX Rule, "Family Member" means a person's spouse, parents, children and siblings, whether by blood, marriage or adoption, or anyone residing in such person's home. The following persons shall not be considered independent:

(A) a director who is, or at any time during the past three years was, employed by the Company;

(B) a director who accepted or who has a Family Member who accepted any compensation from the Company in excess of $120,000 during any period of twelve consecutive months within the three years preceding the determination of independence, other than the following:

(i) compensation for board or board committee service;

(ii) compensation paid to a Family Member who is an employee (other than an Executive Officer) of the Company; or

(iii) benefits under a tax-qualified retirement plan, or non-discretionary compensation.

Provided, however, that in addition to the requirements contained in this paragraph (B), audit committee members are also subject to additional, more stringent requirements under IEX Rule 14.405(c)(2).

(C) a director who is a Family Member of an individual who is, or at any time during the past three years was, employed by the Company as an Executive Officer;

(D) a director who is, or has a Family Member who is, a partner in, or a controlling Shareholder or an Executive Officer of, any organization to which the Company made, or from which the Company received, payments for property or services in the current or any of the past three fiscal years that exceed 5% of the recipient's consolidated gross revenues for that year, or $200,000, whichever is more, other than the following:

(i) payments arising solely from investments in the Company's securities; or

(ii) payments under non-discretionary charitable contribution matching programs.

(E) a director of the Company who is, or has a Family Member who is, employed as an Executive Officer of another entity where at any time during the past three years any of the Executive Officers of the Company serve on the compensation committee of such other entity; or

(F) a director who is, or has a Family Member who is, a current partner of the Company's outside auditor, or was a partner or employee of the Company's outside auditor who worked on the Company's audit at any time during any of the past three years.

(G) in the case of an investment company, in lieu of paragraphs (A)-(F), a director who is an "interested person" of the Company as defined in Section 2(a)(19) of the Investment Company Act of 1940, other than in his or her capacity as a member of the board of directors or any board committee.

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.01 Definition of Independence

It is important for investors to have confidence that individuals serving as Independent Directors do not have a relationship with the listed Company that would impair their independence. The board has a responsibility to make an affirmative determination that no such relationships exist through the application of IEX Rule 14.405(a). IEX Rule 14.405(a) also provides a list of certain relationships that preclude a board finding of independence. These objective measures provide transparency to investors and Companies, facilitate uniform application of the rules, and ease administration. Because IEX does not believe that ownership of Company stock by itself would preclude a board finding of independence, it is not included in the aforementioned objective factors. It should be noted that there are additional, more stringent requirements that apply to directors serving on audit committees, as specified in IEX Rule 14.405(c).

The Rule's reference to the "Company" includes any parent or subsidiary of the Company. The term "parent or subsidiary" is intended to cover entities the Company controls and consolidates with the Company's financial statements as filed with the Commission (but not if the Company reflects such entity solely as an investment in its financial statements). The reference to Executive Officer means those officers covered in Rule 16a-1(f) under the Act. In the context of the definition of Family Member under IEX Rule 14.405(a)(2), the reference to marriage is intended to capture relationships specified in the Rule (parents, children and siblings) that arise as a result of marriage, such as "in-law" relationships.

The three year look-back periods referenced in paragraphs (A), (C), (E) and (F) of the Rule commence on the date the relationship ceases. For example, a director employed by the Company is not independent until three years after such employment terminates.

For purposes of paragraph (A) of the Rule, employment by a director as an Executive Officer on an interim basis shall not disqualify that director from being considered independent following such employment, provided the interim employment did not last longer than one year. A director would not be considered independent while serving as an interim officer. Similarly, for purposes of paragraph (B) of the Rule, compensation received by a director for former service as an interim Executive Officer need not be considered as compensation in determining independence after such service, provided such interim employment did not last longer than one year. Nonetheless, the Company's board of directors still must consider whether such former employment and any compensation received

would interfere with the director's exercise of independent judgment in carrying out the responsibilities of a director. In addition, if the director participated in the preparation of the Company's financial statements while serving as an interim Executive Officer IEX Rule 14.405(c)(2)(A)(iii) would preclude service on the audit committee for three years.

Paragraph (B) of the Rule is generally intended to capture situations where a compensation is made directly to (or for the benefit of) the director or a Family Member of the director. For example, consulting or personal service contracts with a director or Family Member of the director would be analyzed under paragraph (B) of the Rule. In addition, political contributions to the campaign of a director or a Family Member of the director would be considered indirect compensation under paragraph (B). Non-preferential payments made in the ordinary course of providing business services (such as payments of interest or proceeds related to banking services or loans by a Company that is a financial institution or payment of claims on a policy by a Company that is an insurance company), payments arising solely from investments in the Company's securities and loans permitted under Section 13(k) of the Act will not preclude a finding of director independence as long as the payments are non-compensatory in nature. Depending on the circumstances, a loan or payment could be compensatory if, for example, it is not on terms generally available to the public.

Paragraph (D) of the Rule is generally intended to capture payments to an entity with which the director or Family Member of the director is affiliated by serving as a partner, controlling Shareholder or Executive Officer of such entity. Under exceptional circumstances, such as where a director has direct, significant business holdings, it may be appropriate to apply the corporate measurements in paragraph (D), rather than the individual measurements of paragraph (B). Issuers should contact IEX Regulation if they wish to apply the Rule in this manner. The reference to a partner in paragraph (D) is not intended to include limited partners. It should be noted that the independence requirements of paragraph (D) of the Rule are broader than Rule 10A-3(e)(8) under the Act.

Under paragraph (D), a director who is, or who has a Family Member who is, an Executive Officer of a charitable organization may not be considered independent if the Company makes payments to the charity in excess of the greater of 5% of the charity's revenues or $200,000. However, IEX encourages Companies to consider other situations where a director or their Family Member and the Company each have a relationship with the same charity when assessing director independence.

For purposes of determining whether a lawyer is eligible to serve on an audit committee, Rule 10A-3 under the Act generally provides that any partner in a law firm that receives payments from the issuer is ineligible to serve on that issuer's audit committee. In determining whether a director may be considered independent for purposes other than the audit committee, payments to a law firm would generally be considered under IEX Rule 14.405(a)(2), which looks to whether the payment exceeds the greater of 5% of the recipient's gross revenues or $200,000; however, if the firm is a sole proprietorship, IEX Rule 14.405(a)(2)(B), which looks to whether the payment exceeds $120,000, applies.

Paragraph (G) of the Rule provides a different measurement for independence for investment companies in order to harmonize with the Investment Company Act of 1940. In particular, in lieu of paragraphs (A)-(F), a director who is an "interested person" of the Company as defined in Section 2(a)(19) of the Investment Company Act of 1940, other than in his or her capacity as a member of the board of directors or any board committee, shall not be considered independent.

(b) Independent Directors

(1) Majority Independent Board

A majority of the board of directors must be comprised of Independent Directors as defined in IEX Rule 14.405(a)(2). The Company, other than a Foreign Private Issuer, must comply with the disclosure requirements set forth in Item 407(a) of Regulation S-K. A Foreign Private Issuer must disclose in its next annual report (e.g., Form 20-F or 40-F) those directors that the board of directors has determined to be independent under IEX Rule 14.405(a)(2).

(A) Cure Period for Majority Independent Board

If a Company fails to comply with this requirement due to one vacancy, or one director ceases to be independent due to circumstances beyond their reasonable control, the Company shall regain compliance with the requirement by the earlier of its next annual shareholders meeting or one year from the occurrence of the event that caused the failure to comply with this requirement; provided, however, that if the annual shareholders meeting occurs no later than 180 days following the event that caused the failure to comply with this requirement, the Company shall instead have 180 days from such event to regain compliance. A Company relying on this provision shall provide notice to IEX immediately upon learning of the event or circumstance that caused the noncompliance.

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.02 Majority Independent Board

Independent Directors (as defined in IEX Rule 14.405(a)(2)) play an important role in assuring investor confidence. Through the exercise of independent judgment, they act on behalf of investors to maximize shareholder value in the Companies they oversee and guard against conflicts of interest. Requiring that the board be comprised of a majority of Independent Directors empowers such directors to carry out more effectively these responsibilities.

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(2) Executive Sessions

Independent Directors must have regularly scheduled meetings at which only Independent Directors are present ("executive sessions").

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.03 Executive Sessions of Independent Directors

Regularly scheduled executive sessions encourage and enhance communication among Independent Directors. It is contemplated that executive sessions will occur at least twice a year, and perhaps more frequently, in conjunction with regularly scheduled board meetings.

(c) Audit Committee Requirements

(1) Audit Committee Charter

Each Company must certify that it has adopted a formal written audit committee charter and that the audit committee will review and reassess the adequacy of the formal written charter on an annual basis. The charter must specify:

(A) the scope of the audit committee's responsibilities, and how it carries out those responsibilities, including structure, processes and membership requirements;

(B) the audit committee's responsibility for ensuring its receipt from the outside auditors of a formal written statement delineating all relationships between the auditor and the Company, actively engaging in a dialogue with the auditor with respect to any disclosed relationships or services that may impact the

objectivity and independence of the auditor and for taking, or recommending that the full board take, appropriate action to oversee the independence of the outside auditor;

(C) the committee's purpose of overseeing the accounting and financial reporting processes of the Company and the audits of the financial statements of the Company; and

(D) the specific audit committee responsibilities and authority set forth in IEX Rule 14.405(c)(3).

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.04 Audit Committee Charter

Each Company is required to adopt a formal written charter that specifies the scope of its responsibilities and the means by which it carries out those responsibilities; the outside auditor's accountability to the audit committee; and the audit committee's responsibility to ensure the independence of the outside auditor. Consistent with this, the charter must specify all audit committee responsibilities set forth in Rule 10A-3(b)(2), (3), (4), and (5) under the Act. Rule 10A -3(b)(3)(ii) under the Act requires that each audit committee must establish procedures for the confidential, anonymous submission by employees of the listed Company of concerns regarding questionable accounting or auditing matters. The rights and responsibilities as articulated in the audit committee charter empower the audit committee and enhance its effectiveness in carrying out its responsibilities.

IEX Rule 14.405(c)(3) imposes additional requirements for investment company audit committees that must also be set forth in audit committee charters for these Companies.

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(2) Audit Committee Composition

(A) Each Company must have, and certify that it has and will continue to have, an audit committee of at least three members, each of whom must: (i) be an Independent Director as defined under IEX Rule 14.405(a)(2); (ii) meet the criteria for independence set forth in Rule 10A-3(b)(1) under the Act (subject to the exemptions provided in Rule 10A-3(c) under the Act); (iii) not have participated in the preparation of the financial statements of the Company or any current subsidiary of the Company at any time during the past three years; and (iv) be able to read and understand fundamental financial statements, including a Company's balance sheet, income statement, and cash flow statement. Additionally, each Company must certify that it has, and will continue to have, at least one member of the audit committee who has past employment experience in finance or accounting, requisite professional certification in accounting, or any other comparable experience or background which results in the individual's financial sophistication, including being or having been a chief executive officer, chief financial officer or other senior officer with financial oversight responsibilities.

(B) Non-Independent Director for Exceptional and Limited Circumstances

Notwithstanding paragraph (2)(A)(i), one director who: (i) is not an Independent Director as defined in IEX Rule 14.405(a)(2); (ii) meets the criteria set forth in Section 10A(m)(3) under the Act and the rules thereunder; and (iii) is not currently an Executive Officer or employee or a Family Member of an Executive Officer, may be appointed to the audit committee, if the board, under exceptional and limited circumstances, determines that membership on the committee by the individual is required by the best interests of the Company and its Shareholders. A Company, other than a Foreign Private Issuer, that relies

on this exception must comply with the disclosure requirements set forth in Item 407(d)(2) of Regulation S-K. A Foreign Private Issuer that relies on this exception must disclose in its next annual report (e.g., Form 20-F or 40-F) the nature of the relationship that makes the individual not independent and the reasons for the board's determination. A member appointed under this exception may not serve longer than two years and may not chair the audit committee.

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.05 Audit Committee Composition

Audit committees are required to have a minimum of three members and be comprised only of Independent Directors. In addition to satisfying the Independent Director requirements under IEX Rule 14.405(a)(2), audit committee members must meet the criteria for independence set forth in Rule 10A-3(b)(1) under the Act (subject to the exemptions provided in Rule 10A-3(c) under the Act): they must not accept any consulting, advisory, or other compensatory fee from the Company other than for board service, and they must not be an affiliated person of the Company. As described in Rule 10A-3(d)(1) and (2), a Company must disclose reliance on certain exceptions from Rule 10A-3 and disclose an assessment of whether, and if so, how, such reliance would materially adversely affect the ability of the audit committee to act independently and to satisfy the other requirements of Rule 10A-3. It is recommended also that a Company disclose in its annual proxy (or, if the Company does not file a proxy, in its Form 10-K or 20-F) if any director is deemed eligible to serve on the audit committee but falls outside the safe harbor provisions of Rule 10A-3(e)(1)(ii) under the Act. A director who qualifies as an audit committee financial expert under Item 407(d)(5)(ii) and (iii) of Regulation S-K is presumed to qualify as a financially sophisticated audit committee member under IEX Rule 14.405(c)(2)(A).

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(3) Audit Committee Responsibilities and Authority

The audit committee must have the specific audit committee responsibilities and authority necessary to comply with Rule 10A-3(b)(2), (3), (4), and (5) under the Act (subject to the exemptions provided in Rule 10A-3(c) under the Act), concerning responsibilities relating to: (i) registered public accounting firms, (ii) complaints relating to accounting, internal accounting controls or auditing matters, (iii) authority to engage advisers, and (iv) funding as determined by the audit committee. Audit committees for investment companies must also establish procedures for the confidential, anonymous submission of concerns regarding questionable accounting or auditing matters by employees of the investment adviser, administrator, principal underwriter, or any other provider of accounting related services for the investment company, as well as employees of the investment company.

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.06 The Audit Committee Responsibilities and Authority

Audit committees must have the specific audit committee responsibilities and authority necessary to comply with Rule 10A-3(b)(2), (3), (4), and (5) under the Act (subject to the exemptions provided in Rule 10A-3(c) under the Act), concerning responsibilities relating to registered public accounting firms; complaints relating to accounting; internal accounting controls or auditing matters; authority to engage advisers; and funding. Audit committees for investment companies must also establish procedures for the confidential, anonymous submission of concerns regarding questionable accounting or auditing matters by employees of the investment adviser, administrator, principal underwriter, or any other provider of accounting related services for the investment company, as well as employees of the investment company.

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(4) Cure Periods for Audit Committee

(A) If a Company fails to comply with the audit committee composition requirement under Rule 10A-3(b)(1) under the Act and IEX Rule 14.405(c)(2)(A) because an audit committee member ceases to be independent for reasons outside the member's reasonable control, the audit committee member may remain on the audit committee until the earlier of its next annual shareholders meeting or one year from the occurrence of the event that caused the failure to comply with this requirement. A Company relying on this provision must provide notice to IEX immediately upon learning of the event or circumstance that caused the noncompliance.

(B) If a Company fails to comply with the audit committee composition requirement under IEX Rule 14.405(c)(2)(A) due to one vacancy on the audit committee, and the cure period in paragraph (A) is not otherwise being relied upon for another member, the Company will have until the earlier of the next annual shareholders meeting or one year from the occurrence of the event that caused the failure to comply with this requirement; provided, however, that if the annual shareholders meeting occurs no later than 180 days following the event that caused the vacancy, the Company shall instead have 180 days from such event to regain compliance. A Company relying on this provision must provide notice to IEX immediately upon learning of the event or circumstance that caused the noncompliance.

(5) Exception

At any time when a Company has a class of common equity securities (or similar securities) that is listed on another national securities exchange or national securities association subject to the requirements of Rule 10A-3 under the Act, the listing of classes of securities of a direct or indirect consolidated subsidiary or an at least 50% beneficially owned subsidiary of the Company (except classes of equity securities, other than non-convertible, non-participating preferred securities, of such subsidiary) shall not be subject to the requirements of IEX Rule 14.405(c).

(d) Compensation Committee Requirements

(1) Compensation Committee Charter

Each Company must certify that it has adopted a formal written compensation committee charter and that the compensation committee will review and reassess the adequacy of the formal written charter on an annual basis. The charter must specify:

(A) the scope of the compensation committee's responsibilities, and how it carries out those responsibilities, including structure, processes and membership requirements;

(B) the compensation committee's responsibility for determining, or recommending to the board for determination, the compensation of the chief executive officer and all other Executive Officers of the Company;

(C) that the chief executive officer may not be present during voting or deliberations on his or her compensation; and

(D) the specific compensation committee responsibilities and authority set forth in IEX Rule 14.405(d)(3).

(2) Compensation Committee Composition

(A) Each Company must have, and certify that it has and will continue to have, a compensation committee of at least two members. Each committee member must be an Independent Director as defined under IEX Rule 14.405(a)(2). In addition, in affirmatively determining the independence of any director who will serve on the compensation committee of a board of directors, the board of directors must consider all factors specifically relevant to determining whether a director has a relationship to the Company which is material to that director's ability to be independent from management in connection with the duties of a compensation committee member, including, but not limited to:

(i) the source of compensation of such director, including any consulting, advisory or other compensatory fee paid by the Company to such director; and

(ii) whether such director is affiliated with the Company, a subsidiary of the Company or an affiliate of a subsidiary of the Company.

(B) Non-Independent Committee Member under Exceptional and Limited Circumstances

Notwithstanding IEX Rule 14.405(d)(2)(A) above, if the compensation committee is comprised of at least three members, one director who does not meet the requirements of IEX Rule 14.405(d)(2)(A) and is not currently an Executive Officer or employee or a Family Member of an Executive Officer, may be appointed to the compensation committee if the board, under exceptional and limited circumstances, determines that such individual's membership on the committee is required by the best interests of the Company and its Shareholders. A Company that relies on this exception must disclose either on or through the Company's website or in the proxy statement for the next annual meeting subsequent to such determination (or, if the Company does not file a proxy, in its Form 10-K or 20-F), the nature of the relationship and the reasons for the determination. In addition, the Company must provide any disclosure required by Instruction 1 to Item 407(a) of Regulation S-K regarding its reliance on this exception. A member appointed under this exception may not serve longer than two years.

(3) Compensation Committee Responsibilities and Authority

As required by Rule 10C-1(b)(2), (3) and (4)(i)-(vi) under the Act, the compensation committee must have the following specific responsibilities and authority.

(A) The compensation committee may, in its sole discretion, retain or obtain the advice of a compensation consultant, legal counsel or other adviser.

(B) The compensation committee shall be directly responsible for the appointment, compensation and oversight of the work of any compensation consultant, legal counsel and other adviser retained by the compensation committee.

(C) The Company must provide for appropriate funding, as determined by the compensation committee, for payment of reasonable compensation to a compensation consultant, legal counsel or any other adviser retained by the compensation committee.

(D) The compensation committee may select, or receive advice from, a compensation consultant, legal counsel or other adviser to the compensation committee, other than in-house legal counsel, only after taking into consideration the following factors:

(i) the provision of other services to the Company by the person that employs the compensation consultant, legal counsel or other adviser;

(ii) the amount of fees received from the Company by the person that employs the compensation consultant, legal counsel or other adviser, as a percentage of the total revenue of the person that employs the compensation consultant, legal counsel or other adviser;

(iii) the policies and procedures of the person that employs the compensation consultant, legal counsel or other adviser that are designed to prevent conflicts of interest;

(iv) any business or personal relationship of the compensation consultant, legal counsel or other adviser with a member of the compensation committee;

(v) any stock of the Company owned by the compensation consultant, legal counsel or other adviser; and

(vi) any business or personal relationship of the compensation consultant, legal counsel, other adviser or the person employing the adviser with an Executive Officer of the Company.

Nothing in this IEX Rule shall be construed: (i) to require the compensation committee to implement or act consistently with the advice or recommendations of the compensation consultant, legal counsel or other adviser to the compensation committee; or (ii) to affect the ability or obligation of a compensation committee to exercise its own judgment in fulfillment of the duties of the compensation committee.

The compensation committee is required to conduct the independence assessment outlined in this IEX Rule with respect to any compensation consultant, legal counsel or other adviser that provides advice to the compensation committee, other than in-house legal counsel. However, nothing in this IEX Rule requires a compensation consultant, legal counsel or other compensation adviser to be independent, only that the compensation committee consider the enumerated independence factors before selecting, or receiving advice from, a compensation adviser. Compensation committees may select, or receive advice from, any compensation adviser they prefer, including ones that are not independent, after considering the six independence factors outlined above.

For purposes of this IEX Rule, the compensation committee is not required to conduct an independence assessment for a compensation adviser that acts in a role limited to the following activities for which no disclosure is required under Item 407(e)(3)(iii) of Regulation S-K: (a) consulting on any broad-based plan that does not discriminate in scope, terms, or operation, in favor of Executive Officers or directors of the Company, and that is available generally to all salaried employees; and/or (b) providing information that either is not customized for a particular issuer or that is customized based on parameters that are not developed by the adviser, and about which the adviser does not provide advice.

(4) Cure Period for Compensation Committee

If a Company fails to comply with the compensation committee composition requirement under IEX Rule 14.405(d)(2)(A) due to one vacancy, or one compensation committee member ceases to be independent due

to circumstances beyond the member's reasonable control, the Company shall regain compliance with the requirement by the earlier of its next annual shareholders meeting or one year from the occurrence of the event that caused the failure to comply with this requirement; provided, however, that if the annual shareholders meeting occurs no later than 180 days following the event that caused the failure to comply with this requirement, the Company shall instead have 180 days from such event to regain compliance. A Company relying on this provision shall provide notice to IEX immediately upon learning of the event or circumstance that caused the noncompliance.

(5) Smaller Reporting Companies

A Smaller Reporting Company, as defined in Rule 12b-2 under the Act, is not subject to the requirements of IEX Rule 14.405(d), except that a Smaller Reporting Company must have, and certify that it has and will continue to have, a compensation committee of at least two members, each of whom must be an Independent Director as defined under IEX Rule 14.405(a)(2). A Smaller Reporting Company may rely on the exception in IEX Rule 14.405(d)(2)(B) and the cure period in IEX Rule 14.405(d)(4). In addition, a Smaller Reporting Company must certify that it has adopted a formal written compensation committee charter or board resolution that specifies the content set forth in IEX Rule 14.405(d)(1)(A) through (C). A Smaller Reporting Company does not need to include in its formal written compensation committee charter or board resolution the specific compensation committee responsibilities and authority set forth in IEX Rule 14.405(d)(3).

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.07 Independent Director Oversight of Executive Compensation

Independent oversight of executive officer compensation helps assure that appropriate incentives are in place, consistent with the board's responsibility to act in the best interests of the corporation. Compensation committees are required to have a minimum of two members and be comprised only of Independent Directors as defined under IEX Rule 14.405(a)(2).

In addition, IEX Rule 14.405(d)(2)(A) includes an additional independence test for compensation committee members. When considering the sources of a director's compensation for this purpose, the board should consider whether the director receives compensation from any person or entity that would impair the director's ability to make independent judgments about the Company's executive compensation. Similarly, when considering any affiliate relationship a director has with the Company, a subsidiary of the Company, or an affiliate of a subsidiary of the Company, in determining independence for purposes of compensation committee service, the board should consider whether the affiliate relationship places the director under the direct or indirect control of the Company or its senior management, or creates a direct relationship between the director and members of senior management, in each case of a nature that would impair the director's ability to make independent judgments about the Company's executive compensation. In that regard, while a board may conclude differently with respect to individual facts and circumstances, IEX does not believe that ownership of Company stock by itself, or possession of a controlling interest through ownership of Company stock by itself, precludes a board finding that it is appropriate for a director to serve on the compensation committee. In fact, it may be appropriate for certain affiliates, such as representatives of significant stockholders, to serve on compensation committees since their interests are likely aligned with those of other stockholders in seeking an appropriate executive compensation program.

For purposes of the additional independence test for compensation committee members described in IEX Rule 14.405(d)(2)(A), any reference to the "Company" includes any parent or subsidiary of the Company. The term "parent or subsidiary" is intended to cover entities the Company controls and consolidates with the Company's financial statements as filed with the Commission (but not if the Company reflects such entity solely as an investment in its financial statements).

A Smaller Reporting Company must have a compensation committee with a minimum of two members. Each compensation committee member must be an Independent Director as defined under IEX Rule 14.405(a)(2). In addition, each Smaller Reporting Company must have a formal written compensation committee charter or board resolution that specifies the committee's

responsibilities and authority set forth in IEX Rule 14.405(d)(1)(A)-(C). However, in recognition of the fact that Smaller Reporting Companies may have fewer resources than larger Companies, Smaller Reporting Companies are not required to adhere to the additional compensation committee eligibility requirements in IEX Rule 14.405(d)(2)(A), or to incorporate into their formal written compensation committee charter or board resolution the specific compensation committee responsibilities and authority set forth in IEX Rule 14.405(d)(3).

(e) Independent Director Oversight of Director Nominations

(1) Director nominees must either be selected, or recommended for the Board's selection, either by:

(A) Independent Directors constituting a majority of the Board's Independent Directors in a vote in which only Independent Directors participate, or

(B) a nominations committee comprised solely of Independent Directors.

(2) Each Company must certify that it has adopted a formal written charter or board resolution, as applicable, addressing the nominations process and such related matters as may be required under the federal securities laws.

(3) Non-Independent Committee Member under Exceptional and Limited Circumstances

Notwithstanding IEX Rule 14.405(e)(1)(B) above, if the nominations committee is comprised of at least three members, one director, who is not an Independent Director as defined in IEX Rule 14.405(a)(2) and is not currently an Executive Officer or employee or a Family Member of an Executive Officer, may be appointed to the nominations committee if the board, under exceptional and limited circumstances, determines that such individual's membership on the committee is required by the best interests of the Company and its Shareholders. A Company that relies on this exception must disclose either on or through the Company's website or in the proxy statement for next annual meeting subsequent to such determination (or, if the Company does not file a proxy, in its Form 10-K or 20-F), the nature of the relationship and the reasons for the determination. In addition, the Company must provide any disclosure required by Instruction 1 to Item 407(a) of Regulation S-K regarding its reliance on this exception. A member appointed under this exception may not serve longer than two years.

(4) Independent Director oversight of director nominations shall not apply in cases where the right to nominate a director legally belongs to a third party. However, this does not relieve a Company's obligation to comply with the committee composition requirements under IEX Rules 14.405(c), (d), and (e).

(5) This IEX Rule 14.405(e) is not applicable to a Company if the Company is subject to a binding obligation that requires a director nomination structure inconsistent with this IEX Rule and such obligation pre-dates the approval date of this IEX Rule.

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.08 Independent Director Oversight of Director Nominations

Independent Director oversight of nominations enhances investor confidence in the selection of well-qualified director nominees, as well as independent nominees as required by the rules. This IEX Rule is also intended to provide flexibility for a Company to choose an appropriate board structure and reduce resource burdens, while ensuring that Independent Directors approve all nominations.

This IEX Rule does not apply in cases where the right to nominate a director legally belongs to a third party. For example, investors may negotiate the right to nominate directors in connection with an investment in the Company, holders of preferred stock may be permitted to nominate or appoint directors upon certain defaults, or the Company may be a party to a shareholder's agreement that allocates the right to nominate some directors. Because the right to nominate directors in these cases does not reside with the Company, Independent Director approval would not be required. This IEX Rule is not applicable if the Company is subject to a binding obligation that requires a director nomination structure inconsistent with the rule and such obligation pre-dates the approval date of this IEX Rule.

Rule 14.406. Code of Conduct

Each Company shall adopt a code of conduct applicable to all directors, officers and employees, which shall be publicly available. A code of conduct satisfying this IEX Rule must comply with the definition of a "code of ethics" set out in Section 406(c) of the Sarbanes-Oxley Act of 2002 ("the Sarbanes-Oxley Act") and any regulations promulgated thereunder by the Commission. See 17 C.F.R. 228.406 and 17 C.F.R. 229.406. In addition, the code must provide for an enforcement mechanism. Any waivers of the code for directors or Executive Officers must be approved by the Board. Companies, other than Foreign Private Issuers, shall disclose such waivers within four business days by filing a current report on Form 8-K with the Commission or, in cases where a Form 8-K is not required, by distributing a press release. Foreign Private Issuers shall disclose such waivers either by distributing a press release or including disclosure in a Form 6-K or in the next Form 20-F or 40-F. Alternatively, a Company, including a Foreign Private Issuer, may disclose waivers on the Company's website in a manner that satisfies the requirements of Item 5.05(c) of Form 8-K.

• • • Supplementary Material • • •

.01 Code of Conduct

Ethical behavior is required and expected of every corporate director, officer and employee whether or not a formal code of conduct exists. The requirement of a publicly available code of conduct applicable to all directors, officers and employees of a Company is intended to demonstrate to investors that the board and management of IEX Companies have carefully considered the requirement of ethical dealing and have put in place a system to ensure that they become aware of and take prompt action against any questionable behavior. For Company personnel, a code of conduct with enforcement provisions provides assurance that reporting of questionable behavior is protected and encouraged, and fosters an atmosphere of self-awareness and prudent conduct.

IEX Rule 14.406 requires Companies to adopt a code of conduct complying with the definition of a "code of ethics" under Section 406(c) of the Sarbanes-Oxley Act of 2002 ("the Sarbanes-Oxley Act") and any regulations promulgated thereunder by the Commission. See 17 C.F.R. 228.406 and 17 C.F.R. 229.406. Thus, the code must include such standards as are reasonably necessary to promote the ethical handling of conflicts of interest, full and fair disclosure, and compliance with laws, rules and regulations, as specified by the Sarbanes-Oxley Act. However, the code of conduct required by Rule 14.406 must apply to all directors, officers, and employees. Companies can satisfy this obligation by adopting one or more codes of conduct, such that all directors, officers and employees are subject to a code that satisfies the definition of a "code of ethics."

As the Sarbanes-Oxley Act recognizes, investors are harmed when the real or perceived private interest of a director, officer or employee is in conflict with the interests of the Company, as when the individual receives improper personal benefits as a result of his or her position with the Company, or when the individual has other duties, responsibilities or obligations that run counter to his

or her duty to the Company. Also, the disclosures a Company makes to the Commission are the essential source of information about the Company for regulators and investors — there can be no question about the duty to make them fairly, accurately and timely. Finally, illegal action must be dealt with swiftly and the violators reported to the appropriate authorities. Each code of conduct must require that any waiver of the code for Executive Officers or directors may be made only by the board and must be disclosed to Shareholders, along with the reasons for the waiver. All Companies, other than Foreign Private Issuers, must disclose such waivers within four business days by filing a current report on Form 8-K with the Commission, providing website disclosure that satisfies the requirements of Item 5.05(c) of Form 8-K, or, in cases where a Form 8-K is not required, by distributing a press release. Foreign Private Issuers must disclose such waivers either by providing website disclosure that satisfies the requirements of Item 5.05(c) of Form 8-K, by including disclosure in a Form 6-K or in the next Form 20-F or 40-F or by distributing a press release. This disclosure requirement provides investors the comfort that waivers are not granted except where they are truly necessary and warranted, and that they are limited and qualified so as to protect the Company and its Shareholders to the greatest extent possible.

Each code of conduct must also contain an enforcement mechanism that ensures prompt and consistent enforcement of the code, protection for persons reporting questionable behavior, clear and objective standards for compliance, and a fair process by which to determine violations.

Rule 14.407. Exemptions from Certain Corporate Governance Requirements

This IEX Rule provides the exemptions from the corporate governance rules afforded to certain types of Companies, and sets forth the phase-in schedules for initial public offerings, Companies emerging from bankruptcy, Companies transferring from other markets and Companies ceasing to be Smaller Reporting Companies. This IEX Rule also describes the applicability of the corporate governance rules to Controlled Companies and sets forth the phase-in schedule afforded to Companies ceasing to be Controlled Companies.

(a) Exemptions to the Corporate Governance Requirements

(1) Asset-backed Issuers and Other Passive Issuers

The following are exempt from the requirements related to Majority Independent Board (IEX Rule 14.405(b)), Audit Committee (IEX Rule 14.405(c)), Compensation Committee (IEX Rule 14.405(d)), Director Nominations (IEX Rule 14.405(e)), the Controlled Company Exemption (IEX Rule 14.407(c)(2)) and Code of Conduct (IEX Rule 14.406):

(A) asset-backed issuers; and

(B) issuers, such as unit investment trusts, including Portfolio Depository Receipts, which are organized as trusts or other unincorporated associations that do not have a board of directors or persons acting in a similar capacity and whose activities are limited to passively owning or holding (as well as administering and distributing amounts in respect of) securities, rights, collateral or other assets on behalf of or for the benefit of the holders of the listed securities.

• • • Supplementary Material • • •

.01 Asset-backed Issuers Supplemental

Because of their unique attributes, IEX Rules 14.405 (b), (c), (d), (e), and 14.406 do not apply to asset-backed issuers and issuers, such as unit investment trusts, that are organized as trusts or other unincorporated associations that do not have a board of directors or persons acting in a similar capacity and whose activities are limited to passively owning or holding (as well as administering and

distributing amounts in respect of) securities, rights, collateral or other assets on behalf of or for the benefit of the holders of the listed securities.

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(2) Cooperatives

Cooperative entities, such as agricultural cooperatives, that are structured to comply with relevant state law and federal tax law and that do not have a publicly traded class of common stock are exempt from IEX Rules 14.405 (b), (d), (e), and 14.407(c)(2). However, such entities must comply with all federal securities laws, including without limitation those rules required by Section 10A(m) of the Act and Rule 10A-3 thereunder.

• • • Supplementary Material • • •

.02 Cooperatives Supplemental

Certain member-owned cooperatives that list their preferred stock are required to have their common stock owned by their members. Because of their unique structure and the fact that they do not have a publicly traded class of common stock, such entities are exempt from IEX Rule 14.405(b), (d), and (e).

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(3) Foreign Private Issuers

(A) A Foreign Private Issuer may follow its home country practice in lieu of the requirements of the IEX Rule 14.400 Series, the requirement to disclose third party director and nominee compensation set forth in IEX Rule 14.207(b)(3), and the requirement to distribute annual and interim reports set forth in IEX Rule 14.207(d), provided, however, that such a Company shall: comply with the Notification of Noncompliance requirement (IEX Rule 14.410), the Voting Rights requirement (IEX Rule 14.413), have an audit committee that satisfies IEX Rule 14.405(c)(3), and ensure that such audit committee's members meet the independence requirement in IEX Rule 14.405(c)(2)(A)(ii). Except as provided in this paragraph, a Foreign Private Issuer must comply with the requirements of Chapter 14.

(B) Disclosure Requirements

(i) A Foreign Private Issuer that follows a home country practice in lieu of one or more of the IEX Listing Rules shall disclose in its annual reports filed with the Commission each requirement that it does not follow and describe the home country practice followed by the Company in lieu of such requirements. Alternatively, a Foreign Private Issuer that is not required to file its annual report with the Commission on Form 20-F may make this disclosure only on its website. A Foreign Private Issuer that follows a home country practice in lieu of the requirement in IEX Rule 14.405(d)(2) to have an independent compensation committee must disclose in its annual reports filed with the Commission the reasons why it does not have such an independent committee.

(ii) A Foreign Private Issuer making its initial public offering or first U.S. listing on IEX shall disclose in its registration statement or on its website each requirement that it does not follow and describe the home country practice followed by the Company in lieu of such requirements.

*• • • **Supplementary Material** • • •*

.03 Foreign Private Issuer Supplemental

A Foreign Private Issuer (as defined in IEX Rule 14.002) listed on IEX may follow the practice in such Company's home country (as defined in General Instruction F of Form 20-F) in lieu of the provisions of the IEX Rule Series 14.400, 14.207(b)(3), and IEX Rule 14.207(d), subject to several important exceptions. First, such an issuer shall comply with IEX Rule 14.410 (Notification of Noncompliance). Second, such a Company shall have an audit committee that satisfies IEX Rule 14.405(c)(3). Third, members of such audit committee shall meet the criteria for independence referenced in IEX Rule 14.405(c)(2)(A)(ii) (the criteria set forth in Rule 10A-3(b)(1) under the Act, subject to the exemptions provided in Rule 10A-3(c) under the Act). Finally, a Foreign Private Issuer that elects to follow home country practice in lieu of a requirement of IEX Rules 14.400, 14.207(b)(3), or 14.207(d) shall submit to IEX a written statement from an independent counsel in such Company's home country certifying that the Company's practices are not prohibited by the home country's laws. In the case of new listings, this certification is required at the time of listing. For existing Companies, the certification is required at the time the Company seeks to adopt its first noncompliant practice. In the interest of transparency, the rule requires a Foreign Private Issuer to make appropriate disclosures in the Company's annual filings with the Commission (typically Form 20-F or 40-F), and at the time of the Company's original listing in the United States, if that listing is on IEX, in its registration statement (typically Form F-1, 20-F, or 40-F); alternatively, a Company that is not required to file an annual report on Form 20-F may provide these disclosures in English on its website in addition to, or instead of, providing these disclosures on its registration statement or annual report. The Company shall disclose each requirement that it does not follow and include a brief statement of the home country practice the Company follows in lieu of these corporate governance requirement(s). If the disclosure is only available on the website, the annual report and registration statement should so state and provide the web address at which the information may be obtained. Companies that must file annual reports on Form 20-F are encouraged to provide these disclosures on their websites, in addition to the required Form 20-F disclosures, to provide maximum transparency about their practices.

(4) Limited Partnerships

A limited partnership is not subject to the requirements of the IEX Rule Series 14.400, except as provided in this IEX Rule 14.407(a)(4). A limited partnership may request a written interpretation pursuant to IEX Rule 14.401(c).

(A) No provision of this IEX Rule shall be construed to require any foreign Company that is a partnership to do any act that is contrary to a law, rule or regulation of any public authority exercising jurisdiction over such Company or that is contrary to generally accepted business practices in the Company's country of domicile. IEX shall have the ability to provide exemptions from applicability of these provisions as may be necessary or appropriate to carry out this intent.

(B) Corporate General Partner

Each Company that is a limited partnership shall maintain a corporate general partner or co-general partner, which shall have the authority to manage the day-to-day affairs of the partnership.

(C) Independent Directors/Audit Committee

The corporate general partner or co-general partner shall maintain a sufficient number of Independent Directors on its board to satisfy the audit committee requirements set forth in IEX Rule 14.405(c).

(D) Partner Meetings

A Company that is a limited partnership shall not be required to hold an annual meeting of limited partners unless required by statute or regulation in the state in which the limited partnership is formed or doing business or by the terms of the partnership's limited partnership agreement.

(E) Quorum

In the event that a meeting of limited partners is required pursuant to paragraph (D), the quorum for such meeting shall be not less than 33-1/3 percent of the limited partnership interests outstanding.

(F) Solicitation of Proxies

In the event that a meeting of limited partners is required pursuant to paragraph (D), the Company shall provide all limited partners with proxy or information statements and if a vote is required, shall solicit proxies thereon.

(G) Review of Related Party Transactions

Each Company that is a limited partnership shall conduct an appropriate review of all related party transactions on an ongoing basis and shall utilize the Audit Committee or a comparable body of the Board of Directors for the review of potential material conflict of interest situations where appropriate.

(H) Shareholder Approval

Each Company that is a limited partnership must obtain shareholder approval when a stock option or purchase plan is to be established or materially amended or other equity compensation arrangement made or materially amended, pursuant to which stock may be acquired by officers, directors, employees, or consultants, as would be required under IEX Rule 14.412(c) and Supplementary Material .01 to IEX Rule 14.412(c)

(I) Auditor Registration

Each Company that is a limited partnership must be audited by an independent public accountant that is registered as a public accounting firm with the Public Company Accounting Oversight Board, as provided for in Section 102 of the Sarbanes-Oxley Act of 2002 [15 U.S.C. 7212].

(J) Notification of Noncompliance.

Each Company that is a limited partnership must provide IEX with prompt notification after an Executive Officer of the Company, or a person performing an equivalent role, becomes aware of any noncompliance by the Company with the requirements of this IEX Rule Series 14.400.

(5) Management Investment Companies

Management investment companies (including business development companies) are subject to all the requirements of the Rule 14.400 Series, except that management investment companies registered under the Investment Company Act of 1940 are exempt from the Independent Directors requirement, the Compensation Committee requirement, the Independent Director Oversight of Director Nominations requirement, and the Code of Conduct requirement, set forth in IEX Rules 14.405(b), (d), and (e) and 14.406, respectively. In addition, management investment companies that issue Index Fund Shares, Managed Fund Shares, and Exchange-

Traded Managed Fund Shares, as defined in Chapter 16 are exempt from the Audit Committee requirements set forth in IEX Rule 14.405(c), except for the applicable requirements of SEC Rule 10A-3.

• • • Supplementary Material • • •

.04 Management Investment Companies Supplemental

Management investment companies registered under the Investment Company Act of 1940 are already subject to a pervasive system of federal regulation in certain areas of corporate governance covered by the IEX Rule Series 14.400. In light of this, the Exchange exempts from IEX Rules 14.405(b), (d), and (e) and 14.406 management investment companies registered under the Investment Company Act of 1940. Business development companies, which are a type of closed- end management investment company defined in Section 2(a)(48) of the Investment Company Act of 1940 that are not registered under that Act, are required to comply with all of the provisions of the Rule 14.400 Series. Management investment companies that are Index Fund Shares and Managed Fund Shares are exempt from the Audit Committee requirements set forth in IEX Rule 14.405(c), except for the applicable requirements of SEC Rule 10A-3.

(b) Phase-In Schedules

(1) Initial Public Offerings

A Company listing in connection with its initial public offering shall be permitted to phase in its compliance with the independent committee requirements set forth in IEX Rules 14.405(d)(2) and (e)(1)(B) on the same schedule as it is permitted to phase in its compliance with the independent audit committee requirement pursuant to Rule 10A-3(b)(1)(iv)(A) under the Act. Accordingly, a Company listing in connection with its initial public offering shall be permitted to phase in its compliance with the committee composition requirements set forth in IEX Rule 14.405(d)(2) and (e)(1)(B) as follows: (1) one member must satisfy the requirement at the time of listing; (2) a majority of members must satisfy the requirement within 90 days of listing; and (3) all members must satisfy the requirement within one year of listing. Furthermore, a Company listing in connection with its initial public offering shall have twelve months from the date of listing to comply with the majority independent board requirement in IEX Rule 14.405(b). It should be noted, however, that pursuant to Rule 10A-3(b)(1)(iii) under the Act investment companies are not afforded the exemptions under Rule 10A-3(b)(1)(iv) under the Act. Companies may choose not to adopt a nomination committee and may instead rely upon a majority of the Independent Directors to discharge responsibilities under IEX Rule 14.405(b). For purposes of the IEX Rule Series 14.400 other than IEX Rules 14.405(c)(2)(A)(ii) and 14.410, a Company shall be considered to be listing in conjunction with an initial public offering if, immediately prior to listing, it does not have a class of common stock registered under the Act. For purposes of IEX Rule 14.405(c)(2)(A)(ii) and IEX Rule 14.410, a Company shall be considered to be listing in conjunction with an initial public offering only if it meets the conditions in Rule 10A-3(b)(1)(iv)(A) under the Act, namely, that the Company was not, immediately prior to the effective date of a registration statement, required to file reports with the Commission pursuant to Section 13(a) or 15(d) of the Act.

(2) Companies Emerging from Bankruptcy

Companies that are emerging from bankruptcy shall be permitted to phase-in independent nomination and compensation committees and majority independent boards on the same schedule as Companies listing in conjunction with their initial public offering.

(3) Transfers from other Markets

Companies transferring from other markets with a substantially similar requirement shall be afforded the balance of any grace period afforded by the other market. Companies transferring from other listed markets that do not have a substantially similar requirement shall be afforded one year from the date of listing on IEX. This transition period is not intended to supplant any applicable requirements of Rule 10A-3 under the Act.

(4) Phase-In Schedule for a Company Ceasing to be a Smaller Reporting Company

Pursuant to Rule 12b-2 under the Act, a Company tests its status as a Smaller Reporting Company on an annual basis as of the last business day of its most recently completed second fiscal quarter (for purposes of this IEX Rule, the "Determination Date"). A Company with a public float of $75 million or more as of the Determination Date will cease to be a Smaller Reporting Company as of the beginning of the fiscal year following the Determination Date (the "Start Date").

By six months from the Start Date, a Company must comply with Rule 14.405(d)(3) and certify to IEX that: (i) it has complied with the requirement in IEX Rule 14.405(d)(1) to adopt a formal written compensation committee charter including the content specified in IEX Rule 14.405(d)(1)(A) through (D); and (ii) it has complied, or within the applicable phase-in schedule will comply, with the additional requirements in IEX Rule 14.405(d)(2)(A) regarding compensation committee composition.

A Company shall be permitted to phase in its compliance with the additional compensation committee eligibility requirements of IEX Rule 14.405(d)(2)(A) relating to compensatory fees and affiliation as follows: (i) one member must satisfy the requirements by six months from the Start Date; (ii) a majority of members must satisfy the requirements by nine months from the Start Date; and (iii) all members must satisfy the requirements by one year from the Start Date.

Since a Smaller Reporting Company is required to have a compensation committee comprised of at least two Independent Directors, a Company that has ceased to be a Smaller Reporting Company may not use the phase-in schedule for the requirements of IEX Rule 14.405(d)(2)(A) relating to minimum committee size or that the committee consist only of Independent Directors as defined under IEX Rule 14.405(a)(2).

During this phase-in schedule, a Company that has ceased to be a Smaller Reporting Company must continue to comply with Rule 14.405(d)(5).

(c) How the Rules Apply to a Controlled Company

(1) Definition

A Controlled Company is a Company of which more than 50% of the voting power for the election of directors is held by an individual, a group or another company.

(2) Exemptions Afforded to a Controlled Company

A Controlled Company is exempt from the requirements of IEX Rules 14.405(b), (d), and (e), except for the requirements of subsection (b)(2) which pertain to executive sessions of Independent Directors. A Controlled Company, other than a Foreign Private Issuer, relying upon this exemption must comply with the disclosure requirements set forth in Instruction 1 to Item 407(a) of Regulation S-K. A Foreign Private Issuer must disclose in its next annual report (e.g., Form 20-F or 40-F) that it is a Controlled Company and the basis for that determination.

(3) Phase-In Schedule for a Company Ceasing to be a Controlled Company

A Company that has ceased to be a Controlled Company within the meaning of IEX Rule 14.407(c)(1) shall be permitted to phase-in its independent nomination and compensation committees and majority independent board on the same schedule as Companies listing in conjunction with their initial public offering. It should be noted, however, that a Company that has ceased to be a Controlled Company within the meaning of IEX Rule 14.407(c)(1) must comply with the audit committee requirements of IEX Rule 14.405(c) as of the date it ceased to be a Controlled Company. Furthermore, the executive sessions requirement of IEX Rule 14.405(b)(2) applies to Controlled Companies as of the date of listing and continues to apply after it ceases to be controlled.

• • • Supplementary Material • • •

.05 Controlled Company Exemption

This exemption recognizes that majority Shareholders, including parent companies, have the right to select directors and control certain key decisions, such as executive officer compensation, by virtue of their ownership rights. In order for a group to exist for purposes of this IEX Rule, the Shareholders must have publicly filed a notice that they are acting as a group (e.g., a Schedule 13D). A Controlled Company not relying upon this exemption need not provide any special disclosures about its controlled status. It should be emphasized that this controlled company exemption does not extend to the audit committee requirements under IEX Rule 14.405(c) or the requirement for executive sessions of Independent Directors under IEX Rule 14.405(b)(2).

(Amended by SR-IEX-2016-19 eff. December 12, 2016).

Rule 14.408. Meetings of Shareholders

(a) Each Company listing common stock or voting preferred stock, and their equivalents, shall hold an annual meeting of Shareholders no later than one year after the end of the Company's fiscal year-end, unless such Company is a limited partnership that meets the requirements of IEX Rule14.407(a)(4)(D).

• • • Supplementary Material • • •

.01 Meetings of Shareholders or Partners

IEX Rule 14.408 requires that each Company listing common stock or voting preferred stock, and their equivalents, hold an annual meeting of Shareholders within one year of the end of each fiscal year. At each such meeting, Shareholders must be afforded the opportunity to discuss Company affairs with management and, if required by the Company's governing documents, to elect directors. A new listing that was not previously subject to a requirement to hold an annual meeting is required to hold its first meeting within one-year after its first fiscal year-end following listing. Of course, IEX's meeting requirement does not supplant any applicable state or federal securities laws concerning annual meetings.

This requirement is not applicable as a result of a Company listing the following types of securities: securities listed pursuant to IEX Rule 14.316 (such as Trust Preferred Securities and Contingent Value Rights), unless the listed security is a common stock or voting preferred stock equivalent (e.g., a callable common stock); Portfolio Depository Receipts and Index Fund Shares listed pursuant to Chapter 16; and Trust Issued Receipts listed pursuant to Chapter 16. Notwithstanding, if the Company also lists common stock or voting preferred stock, or their equivalent, the Company must still hold an annual meeting for the holders of that common stock or voting preferred stock, or their equivalent.

(b) Proxy Solicitation

Each Company that is not a limited partnership shall solicit proxies and provide proxy statements for all meetings of Shareholders and shall provide copies of such proxy solicitation to the Exchange. Limited partnerships that are required to hold an annual meeting of partners are subject to the requirements of IEX Rule 14.407(a)(4)(F).

(c) Quorum

Each Company that is not a limited partnership shall provide for a quorum as specified in its by- laws for any meeting of the holders of common stock; provided, however, that in no case shall such quorum be less than 33 1/3 % of the outstanding shares of the Company's common voting stock. Limited partnerships that are required to hold an annual meeting of partners are subject to the requirements of IEX Rule 14.407(a)(4)(E).

Rule 14.410. Notification of Noncompliance

A Company must provide the Exchange with prompt notification after an Executive Officer of the Company becomes aware of any noncompliance by the Company with the requirements of this IEX Rule Series 14.400.

Rule 14.411. Review of Related Party Transactions

(a) Each Company that is not a limited partnership shall conduct an appropriate review and oversight of all related party transactions for potential conflict of interest situations on an ongoing basis by the Company's audit committee or another independent body of the board of directors. For purposes of this IEX Rule, the term "related party transaction" shall refer to transactions required to be disclosed pursuant to Item 404 of Regulation S-K under the Act. However, in the case of non-U.S. issuers, the term "related party transactions" shall refer to transactions required to be disclosed pursuant to Form 20-F, Item 7.B.

(b) Limited partnerships shall comply with the requirements of IEX Rule 14.407(a)(4)(G).

Rule 14.412. Shareholder Approval

This IEX Rule sets forth the circumstances under which shareholder approval is required prior to an issuance of securities in connection with: (1) the acquisition of the stock or assets of another company; (2) a change of control; (3) equity-based compensation of officers, directors, employees, or consultants; and (4) transactions other than public offerings. General provisions relating to shareholder approval are set forth in IEX Rule 14.412(e), and the financial viability exception to the shareholder approval requirement is set forth in IEX Rule 14.412(f). Exchange-listed Companies and their representatives are encouraged to use the interpretative letter process described in IEX Rule 14.401(c).

(a) Acquisition of Stock or Assets of Another Company

Shareholder approval is required prior to the issuance of securities in connection with the acquisition of the stock or assets of another company if:

(1) where, due to the present or potential issuance of common stock, including shares issued pursuant to an earn-out provision or similar type of provision, or securities convertible into or exercisable for common stock, other than a public offering for cash:

(A) the common stock has or will have upon issuance voting power equal to or in excess of 20% of the voting power outstanding before the issuance of stock or securities convertible into or exercisable for common stock; or

(B) the number of shares of common stock to be issued is or will be equal to or in excess of 20% of the number of shares of common stock outstanding before the issuance of the stock or securities; or

(2) any director, officer or Substantial Shareholder (as defined by IEX Rule 14.412(e)(3)) of the Company has a 5% or greater interest (or such persons collectively have a 10% or greater interest), directly or indirectly, in the Company or assets to be acquired or in the consideration to be paid in the transaction or series of related transactions and the present or potential issuance of common stock, or securities convertible into or exercisable for common stock, could result in an increase in outstanding common shares or voting power of 5% or more.

(b) Change of Control

Shareholder approval is required prior to the issuance of securities when the issuance or potential issuance will result in a change of control of the Company.

(c) Equity Compensation

Shareholder approval is required prior to the issuance of securities when a stock option or purchase plan is to be established or materially amended or other equity compensation arrangement made or materially amended, pursuant to which stock may be acquired by officers, directors, employees, or consultants, except for:

(1) warrants or rights issued generally to all security holders of the Company or stock purchase plans available on equal terms to all security holders of the Company (such as a typical dividend reinvestment plan);

(2) tax qualified, non-discriminatory employee benefit plans (e.g., plans that meet the requirements of Section 401(a) or 423 of the Internal Revenue Code) or parallel nonqualified plans, provided such plans are approved by the Company's independent compensation committee or a majority of the Company's Independent Directors; or plans that merely provide a convenient way to purchase shares on the open market or from the Company at Market Value;

(3) plans or arrangements relating to an acquisition or merger as permitted under Supplementary Material .01 to IEX Rule 14.412; or

(4) issuances to a person not previously an employee or director of the Company, or following a bona fide period of non-employment, as an inducement material to the individual's entering into employment with the Company, provided such issuances are approved by either the Company's independent compensation committee or a majority of the Company's Independent Directors. Promptly following an issuance of any employment inducement grant in reliance on this exception, a Company must disclose in a press release the material terms of the grant, including the recipient(s) of the grant and the number of shares involved.

• • • Supplementary Material • • •

.01 Shareholder Approval for Stock Option Plans or Other Equity Compensation Arrangements

Employee ownership of Company stock can be an effective tool to align employee interests with those of other Shareholders. Stock option plans or other equity compensation arrangements can also assist in the recruitment and retention of employees, which is especially critical to young, growing Companies, or Companies with insufficient cash resources to attract and retain highly qualified employees. However, these plans can potentially dilute shareholder interests. IEX Rule 14.412(c) ensures that Shareholders have a voice in these situations, given this potential for dilution.

IEX Rule 14.412(c) requires shareholder approval when a plan or other equity compensation arrangement is established or materially amended. For these purposes, a material amendment would include, but not be limited to, the following:

(1) any material increase in the number of shares to be issued under the plan (other than to reflect a reorganization, stock split, merger, spinoff or similar transaction);

(2) any material increase in benefits to participants, including any material change to: (i) permit a repricing (or decrease in exercise price) of outstanding options, (ii) reduce the price at which shares or options to purchase shares may be offered, or (iii) extend the duration of a plan;

(3) any material expansion of the class of participants eligible to participate in the plan; and

(4) any expansion in the types of options or awards provided under the plan.

While general authority to amend a plan would not obviate the need for shareholder approval, if a plan permits a specific action without further shareholder approval, then no such approval would generally be required. However, if a plan contains a formula for automatic increases in the shares available (sometimes called an "evergreen formula"), or for automatic grants pursuant to a dollar-based formula (such as annual grants based on a certain dollar value, or matching contributions based upon the amount of compensation the participant elects to defer), such plans cannot have a term in excess of ten years unless shareholder approval is obtained every ten years. However, plans that do not contain a formula and do not impose a limit on the number of shares available for grant would require shareholder approval of each grant under the plan. A requirement that grants be made out of treasury shares or repurchased shares will not alleviate these additional shareholder approval requirements.

As a general matter, when preparing plans and presenting them for shareholder approval, Companies should strive to make plan terms easy to understand. In that regard, it is recommended that plans meant to permit repricing use explicit terminology to make this clear.

IEX Rule 14.412(c) provides an exception to the requirement for shareholder approval for warrants or rights offered generally to all Shareholders. In addition, an exception is provided for tax qualified, non-discriminatory employee benefit plans as well as parallel nonqualified plans as these plans are regulated under the Internal Revenue Code and Treasury Department regulations. An equity compensation plan that provides non-U.S. employees with substantially the same benefits as a comparable tax qualified, non-discriminatory employee benefit plan or parallel nonqualified plan that the Company provides to its U.S. employees, but for features necessary to comply with applicable foreign tax law, is also exempt from shareholder approval under this section.

Further, the rule provides an exception for inducement grants to new employees because in these cases a Company has an arm's length relationship with the new employees. Inducement grants for these purposes include grants of options or stock to new employees in connection with a merger or acquisition. The rule requires that such issuances be approved by the Company's independent compensation committee or a majority of the Company's Independent Directors. The rule further requires that promptly following an issuance of any employment inducement grant in reliance on this exception, a Company must disclose in a press release the material terms of the grant, including the recipient(s) of the grant and the number of shares involved.

In addition, plans or arrangements involving a merger or acquisition do not require shareholder approval in two situations. First, shareholder approval will not be required to convert, replace or adjust outstanding options or other equity compensation awards to reflect the transaction. Second, shares available under certain plans acquired in acquisitions and mergers may be used for certain post-transaction grants without further shareholder approval. This exception applies to situations where the party which is not a listed company following the transaction has shares available for grant under pre-existing plans that meet the requirements of this

IEX Rule 14.412(c). These shares may be used for post-transaction grants of options and other equity awards by the listed Company (after appropriate adjustment of the number of shares to reflect the transaction), either under the pre-existing plan or arrangement or another plan or arrangement, without further shareholder approval, provided: (1) the time during which those shares are available for grants is not extended beyond the period when they would have been available under the pre-existing plan, absent the transaction, and (2) such options and other awards are not granted to individuals who were employed by the granting company or its subsidiaries at the time the merger or acquisition was consummated. IEX would view a plan or arrangement adopted in contemplation of the merger or acquisition transaction as not pre-existing for purposes of this exception. This exception is appropriate because it will not result in any increase in the aggregate potential dilution of the combined enterprise. In this regard, any additional shares available for issuance under a plan or arrangement acquired in connection with a merger or acquisition would be counted by IEX in determining whether the transaction involved the issuance of 20% or more of the Company's outstanding common stock, thus triggering the shareholder approval requirements under IEX Rule 14.412(a).

Inducement grants, tax qualified non-discriminatory benefit plans, and parallel nonqualified plans are subject to approval by either the Company's independent compensation committee or a majority of the Company's Independent Directors. It should also be noted that a Company would not be permitted to use repurchased shares to fund option plans or grants without prior shareholder approval.

For purposes of IEX Rule 14.412(c) and Supplementary Material .01, the term "parallel nonqualified plan" means a plan that is a "pension plan" within the meaning of the Employee Retirement Income Security Act ("ERISA"), 29 U.S.C. §1002 (1999), that is designed to work in parallel with a plan intended to be qualified under Internal Revenue Code Section 401(a), to provide benefits that exceed the limits set forth in Internal Revenue Code Section 402(g) (the section that limits an employee's annual pre-tax contributions to a 401(k) plan), Internal Revenue Code Section 401(a)(17) (the section that limits the amount of an employee's compensation that can be taken into account for plan purposes) and/or Internal Revenue Code Section 415 (the section that limits the contributions and benefits under qualified plans) and/or any successor or similar limitations that may thereafter be enacted. However, a plan will not be considered a parallel nonqualified plan unless: (i) it covers all or substantially all employees of an employer who are participants in the related qualified plan whose annual compensation is in excess of the limit of Code Section 401(a)(17) (or any successor or similar limitation that may hereafter be enacted); (ii) its terms are substantially the same as the qualified plan that it parallels except for the elimination of the limitations described in the preceding sentence; and, (iii) no participant receives employer equity contributions under the plan in excess of 25% of the participant's cash compensation.

(d) Transactions other than Public Offerings

(1) For purposes of Rule 14.412(d):

(A) “Minimum Price” means a price that is the lower of: (i) the closing price (as reflected on iextrading.com) immediately preceding the signing of a binding agreement; or (ii) the average closing price of the common stock (as reflected on iextrading.com) for the five trading days immediately preceding the signing of a binding agreement.

(B) “20% Issuance” means a transaction, other than a public offering as defined in Supplementary Material .03, involving the sale, issuance or potential issuance by the Company of common stock (or securities convertible into or exercisable for common stock), which alone or together with sales by officers, directors or Substantial Shareholders of the Company, equals 20% or more of the common stock or 20% or more of the voting power outstanding before the issuance.

(2) Shareholder approval is required prior to a 20% Issuance at a price that is less than the Minimum Price.

• • • Supplementary Material • • •

.02 Interpretative Material Regarding the Use of Share Caps to Comply with Rule 14.412

IEX Rule 14.412 limits the number of shares or voting power that can be issued or granted without shareholder approval prior to the issuance of certain securities. (An exception to this IEX Rule is available to Companies when the delay in securing stockholder approval would seriously jeopardize the financial viability of the enterprise as set forth in IEX Rule 14.412(f). However, a share cap is not permissible in conjunction with the financial viability exception provided in IEX Rule 14.412(f), because the application to the Exchange and the notice to Shareholders required in the rule must occur prior to the issuance of any common stock or securities convertible into or exercisable for common stock.) Generally, this limitation applies to issuances of 20% or more of the common stock or 20% or more of the voting power outstanding before the issuance. (While the Exchange notes that this issue is generally implicated with respect to these situations, it may also arise with respect to the 5% threshold set forth in IEX Rule 14.412(a)(2)). Companies sometimes comply with the 20% limitation by placing a "cap" on the number of shares that can be issued in the transaction, such that there cannot, under any circumstances, be an issuance of 20% or more of the common stock or voting power previously outstanding without prior shareholder approval. If a Company determines to defer a shareholder vote in this manner, shares that are issuable under the cap (in the first part of the transaction) must not be entitled to vote to approve the remainder of the transaction. In addition, a cap must apply for the life of the transaction, unless shareholder approval is obtained. For example, caps that no longer apply if a Company is not listed on the Exchange are not permissible under the Rule. Of course, if shareholder approval is not obtained, then the investor will not be able to acquire 20% or more of the common stock or voting power outstanding before the transaction and would continue to hold the balance of the original security in its unconverted form.

Companies have also attempted to cap the issuance of shares at below 20% but have also provided an alternative outcome based upon whether shareholder approval is obtained, including, but not limited to a "penalty" or a "sweetener." Instead, if the terms of a transaction can change based upon the outcome of the shareholder vote, no common shares may be issued prior to the approval of the Shareholders. Companies that engage in transactions with defective caps may be subject to delisting. For example, a Company issues a convertible preferred stock or debt instrument that provides for conversions of up to 20% of the total shares outstanding with any further conversions subject to shareholder approval. However, the terms of the instrument provide that if Shareholders reject the transaction, the coupon or conversion ratio will increase or the Company will be penalized by a specified monetary payment, including a rescission of the transaction. Likewise, a transaction may provide for improved terms if shareholder approval is obtained. The Exchange believes that in such situations the cap is defective because the presence of the alternative outcome has a coercive effect on the shareholder vote, and thus may deprive Shareholders of their ability to freely exercise their vote. Accordingly, the Exchange will not accept a cap that defers the need for shareholder approval in such situations.

Companies having questions regarding this policy are encouraged to contact IEX Regulation, which will provide a written interpretation of the application of IEX Rules to a specific transaction, upon prior written request of the Company.

.03 Definition of a Public Offering

IEX Rule 14.412(d) provides that shareholder approval is required for a 20% Issuance at a price that is less than the Minimum Price. Under this IEX Rule, however, shareholder approval is not required for a "public offering."

Companies are encouraged to consult with IEX Regulation in order to determine if a particular offering is a "public offering" for purposes of the shareholder approval rules. Generally, a firm commitment underwritten securities offering registered with the Securities and Exchange Commission will be considered a public offering for these purposes. Likewise, any other securities offering which is registered with the Securities and Exchange Commission and which is publicly disclosed and distributed in the same general manner and extent as a firm commitment underwritten securities offering will be considered a public offering for purposes of the shareholder approval rules. However, the Exchange staff will not treat an offering as a "public offering" for purposes of the shareholder approval rules merely because they are registered with the Commission prior to the closing of the transaction.

When determining whether an offering is a "public offering" for purposes of these rules, IEX Regulation will consider all relevant factors, including but not limited to:

(a) the type of offering (including whether the offering is conducted by an underwriter on a firm commitment basis, or an underwriter or placement agent on a best-efforts basis, or whether the offering is self-directed by the Company);

(b) the manner in which the offering is marketed (including the number of investors offered securities, how those investors were chosen, and the breadth of the marketing effort);

(c) the extent of the offering's distribution (including the number and identity of the investors who participate in the offering and whether any prior relationship existed between the Company and those investors);

(d) the offering price (including the extent of any discount to the market price of the securities offered); and

(e) *the extent to which the Company controls the offering and its distribution.*

(e) Definitions and Computations Relating to the Shareholder Approval Requirements

(1) For purposes of making any computation in this paragraph, when determining the number of shares issuable in a transaction, all shares that could be issued are included, regardless of whether they are currently treasury shares. When determining the number of shares outstanding, only shares issued and outstanding are considered. Treasury shares, shares held by a subsidiary, and unissued shares reserved for issuance upon conversion of securities or upon exercise of options or warrants are not considered outstanding.

(2) Voting power outstanding as used in this IEX Rule refers to the aggregate number of votes which may be cast by holders of those securities outstanding which entitle the holders thereof to vote generally on all matters submitted to the Company's security holders for a vote.

(3) An interest consisting of less than either 5% of the number of shares of common stock or 5% of the voting power outstanding of a Company or party shall not be considered a substantial interest or cause the holder of such an interest to be regarded as a "Substantial Shareholder."

(4) Where shareholder approval is required, the minimum vote that will constitute shareholder approval shall be a majority of the total votes cast on the proposal. These votes may be cast in person, by proxy at a meeting of Shareholders or by written consent in lieu of a special meeting to the extent permitted by applicable state and federal law and rules (including interpretations thereof), including, without limitation, Regulations 14A and 14C under the Act. Nothing contained in this IEX Rule 14.412(e)(4) shall affect a Company's obligation to hold an annual meeting of Shareholders as required by IEX Rule 14.408.

(5) Shareholder approval shall not be required for any share issuance if such issuance is part of a court-approved reorganization under the federal bankruptcy laws or comparable foreign laws.

(f) Financial Viability Exception

An exception applicable to a specified issuance of securities may be made upon prior written application to IEX Regulation when:

(1) the delay in securing stockholder approval would seriously jeopardize the financial viability of the enterprise; and

(2) reliance by the Company on this exception is expressly approved by the audit committee or a comparable body of the board of directors comprised solely of independent, disinterested directors. IEX Regulation shall respond to each application for such an exception in writing.

A Company that receives such an exception must mail to all Shareholders not later than ten days before issuance of the securities a letter alerting them to its omission to seek the shareholder approval that would otherwise be required. Such notification shall disclose the terms of the transaction (including the number of shares of common stock that could be issued and the consideration received), the fact that the Company is relying on a financial viability exception to the stockholder approval rules, and that the audit committee or a comparable body of the board of directors comprised solely of independent, disinterested directors has expressly approved reliance on the exception. The Company shall also make a public announcement by filing a Form 8-K, where required by SEC rules, or by issuing a press release disclosing the same information as promptly as possible, but no later than ten days before the issuance of the securities.

• • • Supplementary Material • • •

.04 Interpretive Material Regarding Future Priced Securities and Other Securities with Variable Conversion Terms

Summary

Provisions of this Supplementary Material .04 would apply to any security with variable conversion terms. For example, Future Priced Securities are private financing instruments which were created as an alternative means of quickly raising capital for Companies. The security is generally structured in the form of a convertible security and is often issued via a private placement. Companies will typically receive all capital proceeds at the closing. The conversion price of the Future Priced Security is generally linked to a percentage discount to the market price of the underlying common stock at the time of conversion and accordingly the conversion rate for Future Priced Securities floats with the market price of the common stock. As such, the lower the price of the Company's common stock at the time of conversion, the more shares into which the Future Priced Security is convertible. The delay in setting the conversion price is appealing to Companies who believe that their stock will achieve greater value after the financing is received. However, the issuance of Future Priced Securities may be followed by a decline in the common stock price, creating additional dilution to the existing holders of the common stock. Such a price decline allows holders to convert the Future Priced Security into large amounts of the Company's common stock. As these shares are issued upon conversion of the Future Priced Security, the common stock price may tend to decline further.

For example, a Company may issue $10 million of convertible preferred stock (the Future Priced Security), which is convertible by the holder or holders into $10 million of common stock based on a conversion price of 80% of the closing price of the common stock on the date of conversion. If the closing price is $5 on the date of conversion, the Future Priced Security holders would receive 2,500,000 shares of common stock. If, on the other hand, the closing price is $1 on the date of conversion, the Future Priced Security holders would receive 12,500,000 shares of common stock.

Unless the Company carefully considers the terms of the securities in connection with several IEX Rules, the issuance of Future Priced Securities could result in a failure to comply with the Exchange listing standards and the concomitant delisting of the Company's securities from the Exchange. The Exchange understands that Companies do not always appreciate this potential consequence. The IEX Rules that bear upon the continued listing qualification of a Company and that must be considered when issuing Future Priced Securities include:

(a) the shareholder approval rules [see IEX Rule 14.412]

(b) the voting rights rules [see IEX Rule 14.413)]

(c) the bid price requirement [see IEX Rule 14.320(a)(1)]

(d) the listing of additional shares rules [see IEX Rule 14.207(e)(2)]

(e) the change in control rules [see IEX Rules 14.102 and 14.412(b)]

(f) the Exchange's discretionary authority rules [see IEX Rule Series 14.100]

It is important for Companies to clearly understand that failure to comply with any of these rules could result in the delisting of the Company's securities.

This notice is intended to be of assistance to Companies considering financings involving Future Priced Securities. By adhering to the above requirements, Companies can avoid unintended listing qualifications problems. Companies having any questions about this notice should contact IEX Regulation. The Exchange will provide a Company with a written interpretation of the application of the IEX Rules to a specific transaction, upon request of the Company.

How the Rules Apply

Shareholder Approval

IEX Rule 14.412(d) requires shareholder approval prior to a 20% Issuance at a price that is less than the Minimum Price.

(The Exchange may make exceptions to this requirement when the delay in securing stockholder approval would seriously jeopardize the financial viability of the enterprise and reliance by the Company on this exception is expressly approved by the Audit Committee or a comparable body of the Board of Directors.)

When the Exchange staff is unable to determine the number of shares to be issued in a transaction, it looks to the maximum potential issuance of shares to determine whether there will be an issuance of 20 percent or more of the common stock outstanding. In the case of Future Priced Securities, the actual conversion price is dependent on the market price at the time of conversion and so the number of shares that will be issued is uncertain until the conversion occurs. Accordingly, staff will look to the maximum potential issuance of common shares at the time the Future Priced Security is issued. Typically, with a Future Priced Security, the maximum potential issuance will exceed 20 percent of the common stock outstanding because the Future Priced Security could, potentially, be converted into common stock based on a share price of one cent per share, or less. Further, for purposes of this calculation, the lowest possible conversion price is below the Minimum Price of the stock for purposes of Rule 14.412(d) at the time of issuance of the Future Priced Security. Therefore, shareholder approval must be obtained prior to the issuance of the Future Priced Security. Companies should also be cautioned that obtaining shareholder ratification of the transaction after the issuance of a Future Priced Security does not satisfy the shareholder approval requirements.

Some Future Priced Securities may contain features to obviate the need for shareholder approval by: (1) placing a cap on the number of shares that can be issued upon conversion, such that the holders of the Future Priced Security cannot, without prior shareholder approval, convert the security into 20% or more of the common stock or voting power outstanding before the issuance of the Future Priced Security (See Supplementary Material .02 to IEX Rule 14.412, Interpretative Material Regarding the Use of Share Caps to Comply with IEX Rule 14.412), or (2) placing a floor on the conversion price, such that the conversion price will always be at least as high as the Minimum Price prior to the issuance of the Future Priced Securities. Even when a Future Priced Security contains these features, however, shareholder approval is still required under IEX Rule 14.412(b) if the issuance will result in a change of control. Additionally, discounted issuances of common stock to officers, directors, employees or consultants require shareholder approval pursuant to IEX Rule 14.412(c).

Voting Rights

IEX Rule 14.413 provides:

Voting rights of existing Shareholders of publicly traded common stock registered under Section 12 of the Act cannot be disparately reduced or restricted through any corporate action or issuance.

Supplementary Material .01 to IEX Rule 14.413 also provides rules relating to voting rights of the Exchange Companies.

Under the voting rights rules, a Company cannot create a new class of security that votes at a higher rate than an existing class of securities or take any other action that has the effect of restricting or reducing the voting rights of an existing class of securities. The voting rights rules are typically implicated when the holders of the Future Priced Security are entitled to vote on an as-converted basis or when the holders of the Future Priced Security are entitled to representation on the Board of Directors. The percentage of the overall vote attributable to the Future Priced Security holders and the Future Priced Security holders' representation on the board of directors must not exceed their relative contribution to the Company based on the Minimum Price at the time of the issuance of

the Future Priced Security. Staff will consider whether a voting rights violation exists by comparing the Future Priced Security holders' voting rights to their relative contribution to the Company based on the Minimum Price at the time of the issuance of the Future Priced Security. If the voting power or the board percentage exceeds that percentage interest, a violation exists because a new class of securities has been created that votes at a higher rate than an already existing class. Future Priced Securities that vote on an as-converted basis also raise voting rights concerns because of the possibility that, due to a decline in the price of the underlying common stock, the Future Priced Security holder will have voting rights disproportionate to its investment in the Company.

It is important to note that compliance with the shareholder approval rules prior to the issuance of a Future Priced Security does not affect whether the transaction is in violation of the voting rights rule. Furthermore, Shareholders can not otherwise agree to permit a voting rights violation by the Company. Because a violation of the voting rights requirement can result in delisting of the Company's securities from the Exchange, careful attention must be given to this issue to prevent a violation of the rule.

The Bid Price Requirement

The bid price requirement establishes a minimum bid price for issues listed on the Exchange. The IEX Rules provide that, for an issue to be eligible for continued listing on the Exchange, the minimum bid price per share shall be $1. An issue is subject to delisting from the Exchange, as described in IEX Rule Series 14.500 if its bid price falls below $1.

The bid price rules must be thoroughly considered because the characteristics of Future Priced Securities often exert downward pressure on the price of the Company's common stock. Specifically, dilution from the discounted conversion of the Future Priced Security may result in a significant decline in the price of the common stock. Furthermore, there appear to be instances where short selling has contributed to a substantial price decline, which, in turn, could lead to a failure to comply with the bid price requirement. (If used to manipulate the price of the stock, short selling by the holders of the Future Priced Security is prohibited by the antifraud provisions of the securities laws and by the IEX Rules and may be prohibited by the terms of the placement.)

Listing of Additional Shares

IEX Rule 14.207(e)(2)provides:

The Company shall be required to notify the Exchange on the appropriate form no later than 15 calendar days prior to: establishing or materially amending a stock option plan, purchase plan or other equity compensation arrangement pursuant to which stock may be acquired by officers, directors, employees, or consultants without shareholder approval; issuing securities that may potentially result in a change of control of the Company; issuing any common stock or security convertible into common stock in connection with the acquisition of the stock or assets of another company, if any officer or director or Substantial Shareholder of the Company has a 5% or greater interest (or if such persons collectively have a 10% or greater interest) in the Company to be acquired or in the consideration to be paid; or entering into a transaction that may result in the potential issuance of common stock (or securities convertible into common stock) greater than 10% of either the total shares outstanding or the voting power outstanding on a pre-transaction basis.

Companies should be cognizant that under this IEX Rule notification is required at least 15 days prior to issuing any security (including a Future Priced Security) convertible into shares of a class of securities already listed on the Exchange. Failure to provide such notice can result in a Company's removal from the Exchange.

Public Interest Concerns

IEX Rule 14.101 provides:

The Exchange is entrusted with the authority to preserve and strengthen the quality of and public confidence in its market. The Exchange stands for integrity and ethical business practices in order to enhance investor confidence, thereby contributing to the financial health of the economy and supporting the capital formation process. The Exchange Companies, from new public Companies to Companies of international stature, are publicly recognized as sharing these important objectives.

The Exchange, therefore, in addition to applying the enumerated criteria set forth in the Listing Rules, has broad discretionary authority over the initial and continued listing of securities in the Exchange in order to maintain the quality, transparency and integrity of and public confidence in its market; to prevent fraudulent and manipulative acts and practices; to promote just and equitable principles of trade; and to protect investors and the public interest; and to protect the safety and security of the Exchange and its employees. The Exchange may use such discretion to deny initial listing, apply additional or more stringent criteria for the initial or

continued listing of particular securities, or suspend or delist particular securities based on any event, condition, or circumstance that exists or occurs that makes initial or continued listing of the securities on the Exchange inadvisable or unwarranted in the opinion of the Exchange, even though the securities meet all enumerated criteria for initial or continued listing on the Exchange.

The returns on Future Priced Securities may become excessive compared with those of public investors in the Company's common securities. In egregious situations, the use of a Future Priced Security may raise public interest concerns under IEX Rule 14.101. In addition to the demonstrable business purpose of the transaction, other factors that the Exchange staff will consider in determining whether a transaction raises public interest concerns include: (1) the amount raised in the transaction relative to the Company's existing capital structure; (2) the dilutive effect of the transaction on the existing holders of common stock; (3) the risk undertaken by the Future Priced Security investor; (4) the relationship between the Future Priced Security investor and the Company; (5) whether the transaction was preceded by other similar transactions; and (6) whether the transaction is consistent with the just and equitable principles of trade.

Some Future Priced Securities may contain features that address the public interest concerns. These features tend to provide incentives to the investor to hold the security for a longer time period and limit the number of shares into which the Future Priced Security may be converted.

Such features may limit the dilutive effect of the transaction and increase the risk undertaken by the Future Priced Security investor in relationship to the reward available.

Business Combinations with non-IEX Entities Resulting in a Change of Control

IEX Rule 14.102(a) provides:

A Company must apply for initial listing in connection with a transaction whereby the Company combines with, or into, an entity that is not an IEX Company, resulting in a change of control of the Company and potentially allowing such entity to obtain an Exchange Listing. In determining whether a change of control has occurred, the Exchange shall consider all relevant factors including, but not limited to, changes in the management, board of directors, voting power, ownership, and financial structure of the Company. The Exchange shall also consider the nature of the businesses and the relative size of the IEX Company and entity that is not an IEX Company. The Company must submit an application for the post-transaction entity with sufficient time to allow the Exchange to complete its review before the transaction is completed. If the Company's application for initial listing has not been approved prior to consummation of the transaction, the Exchange will issue a Staff Determination Letter as set forth in IEX Rule 14.501 and begin delisting proceedings pursuant to IEX Rule 14.500.

This provision, which applies regardless of whether the Company obtains shareholder approval for the transaction, requires Companies to qualify under the initial listing standards in connection with a combination that results in a change of control. It is important for Companies to realize that in certain instances, the conversion of a Future Priced Security may implicate this provision. For example, if there is no limit on the number of common shares issuable upon conversion, or if the limit is set high enough, the exercise of conversion rights under a Future Priced Security could result in the holders of the Future Priced Securities obtaining control of the listed Company. In such event, a Company may be required to re-apply for initial listing and satisfy all initial listing requirements.

(Amended by SR-IEX-2019-03 eff. March 26, 2019).

Rule 14.413. Voting Rights

Voting rights of existing Shareholders of publicly traded common stock registered under Section 12 of the Act cannot be disparately reduced or restricted through any corporate action or issuance. Examples of such corporate action or issuance include, but are not limited to, the adoption of time-phased voting plans, the adoption of capped voting rights plans, the issuance of super-voting stock, or the issuance of stock with voting rights less than the per share voting rights of the existing common stock through an exchange offer.

*• • • **Supplementary Material** • • •*

.01 Voting Rights Policy

The following Voting Rights Policy is based upon, but more flexible than, former Rule 19c-4 under the Act. Accordingly, the Exchange will permit corporate actions or issuances by the Exchange Companies that would have been permitted under former Rule 19c-4, as well as other actions or issuances that are not inconsistent with this policy. In evaluating such other actions or issuances, the Exchange will consider, among other things, the economics of such actions or issuances and the voting rights being granted. The Exchange's interpretations under the policy will be flexible, recognizing that both the capital markets and the circumstances and needs of the Exchange Companies change over time. The text of the Exchange Voting Rights Policy is as follows:

Companies with Dual Class Structures.

The restriction against the issuance of super voting stock is primarily intended to apply to the issuance of a new class of stock, and Companies with existing dual class capital structures would generally be permitted to issue additional shares of the existing super voting stock without conflict with this policy.

Consultation with the Exchange.

Violation of the Exchange Voting Rights Policy could result in the loss of a Company's Exchange or public trading market. The policy can apply to a variety of corporate actions and securities issuances, not just super voting or so-called "time phase" voting common stock. While the policy will continue to permit actions previously permitted under former Rule 19c-4, it is extremely important that the IEX Companies communicate their intentions to their Exchange representatives as early as possible before taking any action or committing to take any action that may be inconsistent with the policy. The Exchange urges Companies listed on the Exchange not to assume, without first discussing the matter with the Exchange staff, that a particular issuance of common or preferred stock or the taking of some other corporate action will necessarily be consistent with the policy. It is suggested that copies of preliminary proxy or other material concerning matters subject to the policy be furnished to the Exchange for review prior to formal filing.

Review of Past Voting Rights Activities.

In reviewing an application for initial qualification for listing of a security in the Exchange, the Exchange will review the Company's past corporate actions to determine whether another self-regulatory organization (SRO) has found any of the Company's actions to have been a violation or evasion of the SRO's voting rights policy. Based on such review, the Exchange may take any appropriate action, including the denial of the application or the placing of restrictions on such listing. The Exchange will also review whether a Company seeking initial listing of a security in the Exchange has requested a ruling or interpretation from another SRO regarding the application of that SRO's voting rights policy with respect to a proposed transaction. If so, the Exchange will consider that fact in determining its response to any ruling or interpretation that the Company may request on the same or similar transaction.

Non-U.S. Companies.

The Exchange will accept any action or issuance relating to the voting rights structure of a non-U.S. Company that is in compliance with the Exchange's requirements for domestic Companies or that is not prohibited by the Company's home country law.

Rule 14.414. Internal Audit Function

(a) Each Company must establish and maintain an internal audit function to provide management and the audit committee with ongoing assessments of the Company's risk management process and system of internal control. The Company may choose to outsource this function to a third party service provider other than its independent auditor. The audit committee must meet periodically with the internal auditors (or other personnel responsible for this function) and assist the Board in its oversight of the performance of this function. The audit committee should also discuss with the outside auditor the responsibilities, budget and staffing of the internal audit function.

(b) Transition Periods

(1) A Company listing in conjunction with its initial public offering or a spin-off transaction must comply with the requirements of IEX Rule 14.414(a) within one year of the listing date.

(2) A Company previously registered pursuant to Section 12(b) of the Exchange Act must satisfy the requirements of IEX Rule 14.414(a) within one year of the listing date to the extent the national securities exchange on which it was listed did not have the same requirement. If the other exchange had a substantially similar requirement and the company was afforded a transition period that had not expired, the company will have the same transition period as would have been available to it on the other exchange.

Rule 14.500. Failure to Meet Listing Standards

(a) Securities of a Company that does not meet the listing standards set forth in Chapters 14 and 16 are subject to delisting from the Exchange. This Section sets forth procedures for the independent review, suspension, and delisting of Companies that fail to satisfy one or more standards for continued listing and thus are "deficient" with respect to the listing standards.

IEX Regulation is responsible for identifying deficiencies that may lead to delisting; notifying the Company of the deficiency; and issuing Staff Delisting Determinations and Public Reprimand Letters. Rule 14.501 contains provisions regarding IEX Regulation's process for notifying Companies of different types of deficiencies and their corresponding consequences.

The Listings Review Committee, upon timely request by a Company, will review a Staff Delisting Determination or Public Reprimand Letter at an oral or written hearing, and issue a Decision that may, among other things, grant an "exception" to the Exchange's listing standards or affirm a delisting. Rule 14.502 contains provisions relating to the hearings process.

Procedures related to SEC notification of the Exchange's final Delisting Determinations are discussed in IEX Rule 14.503. Rules applicable to the Listings Review Committee and Advisors are provided in IEX Rule 14.504 and general information relating to the adjudicatory process is provided in IEX Rule 14.505.

A Company's failure to maintain compliance with the applicable provisions of Chapters 14 and 16 will result in the termination of the listing unless an exception is granted to the Company, as described below. The termination of the Company's listing will become effective in accordance with the procedures set forth herein, including IEX Rule 14.503.

(b) Definitions

(1) "Advisor" means an individual employed by the Exchange who is advising the Listings Review Committee with respect to a proceeding under this section.

(2) "Decision" means a written decision of an Adjudicatory Body.

(3) "IEX Regulation" is the department of the Exchange responsible for evaluating Company compliance with quantitative and qualitative listing standards and determining eligibility for initial and continued listing of a Company's securities.

(4) The "Listings Review Committee" is the committee designated by the Exchange's Board of Directors to review Company appeals of Staff Delisting Determinations and Public Reprimand Letters. The Listings Review

Committee shall be composed of at least five members. Any action by the Listings Review Committee shall require a quorum, which shall be at least three members.

(5) "Public Reprimand Letter" means a letter issued by Staff or a Decision of the Listings Review Committee in cases where the Company has violated an Exchange corporate governance or notification listing standard (other than one required by Rule 10A-3 of the Act) and Staff or the Listings Review Committee determines that delisting is an inappropriate sanction. In determining whether to issue a Public Reprimand Letter, Staff or the Listings Review Committee will consider whether the violation was inadvertent, whether the violation materially adversely affected shareholders' interests, whether the violation has been cured, whether the Company reasonably relied on an independent advisor and whether the Company has demonstrated a pattern of violations.

(6) "Staff" refers to employees of IEX Regulation.

(7) "Staff Delisting Determination" or "Delisting Determination" is a written determination by IEX Regulation to delist a listed Company's securities for failure to meet a continued listing standard.

(Amended by SR-IEX-2017-14 eff. June 12, 2017).

Rule 14.501. Notification of Deficiency by IEX Regulation

(a) When IEX Regulation determines that a Company does not meet a listing standard set forth in Chapters 14 and 16, it will immediately notify the Company of the deficiency. As explained in more detail below, deficiency notifications are of four types:

(1) Staff Delisting Determinations, which are notifications of deficiencies that, unless appealed, subject the Company to immediate suspension and delisting;

(2) notifications of deficiencies for which a Company may submit a plan of compliance for staff review;

(3) notifications of deficiencies for which a Company is entitled to an automatic cure or compliance period; and

(4) Public Reprimand Letters, except such notification type is not available for unresolved deficiencies from the standards of Rules 14.207(c) {Obligation to File Periodic Financial Reports}, 14.407(a)(4)(D) {Partner Meetings of Limited Partnerships} and 14.408(a) {Meetings of Shareholders}.

Notifications of deficiencies that allow for submission of a compliance plan or an automatic cure or compliance period may result, after review of the compliance plan or expiration of the cure or compliance period, in issuance of a Staff Delisting Determination or a Public Reprimand Letter.

(b) Information Contained in Deficiency Notification and Delisting Determination

Deficiency notifications and Delisting Determinations will:

(1) inform the Company of the factual bases for Staff's determination of deficiency or delisting, and the quantitative or qualitative standard the Company has failed to satisfy;

(2) provide the Company with instructions regarding its obligations to disclose the deficiency under Exchange Listing Rules; and

(3) inform the Company:

(A) in the case of a Staff Delisting Determination, that the Company's securities will be suspended as of a date certain; the Company has a right to request review of the Delisting Determination by the Listings Review Committee; and that a request for review within seven days (as set forth in IEX Rule 14.502(a)(1)) will stay the suspension;

(B) in the case of a deficiency for which the Company may submit a plan of compliance for review by Staff, the deadline by which a plan must be submitted;

(C) in the case of a deficiency for which the Company is entitled to an automatic cure or compliance period, the expiration date of the cure or compliance period; and

(D) in the case of a Public Reprimand Letter, an explanation of why Staff concluded the letter is appropriate and the Company's right to request review of the Letter by Listings Review Committee.

(c) Company Disclosure Obligations

A Company that receives a notification of deficiency, Staff Delisting Determination, or Public Reprimand Letter is required to make a public announcement disclosing receipt of the notification and the Rule(s) upon which the deficiency is based. A Company that receives a notification of deficiency or Staff Delisting Determination related to the requirement to file a periodic report contained in IEX Rule 14.207(c)(1) or (2) is required to make the public announcement by issuing a press release disclosing receipt of the notification and the Rule(s) upon which the deficiency is based, in addition to filing any Form 8-K required by SEC rules. In all other cases, the Company may make the public announcement either by filing a Form 8-K, where required by SEC rules, or by issuing a press release. As described in IEX Rule 14.207(b)(1) and Supplementary Material .01 to IEX Rule 14.207 (Disclosure of Material Information), the Company must notify IEX Regulation about the announcement through the electronic disclosure submission system available on the Exchange's Web site, except in emergency situations when notification may instead be provided by telephone or facsimile. If the public announcement is made during System Hours (as defined in IEX Rule 1.160(oo)), the Company must notify IEX Regulation at least ten minutes prior to the announcement. If the public announcement is made outside of System Hours (as defined in IEX Rule 1.160(oo)), the Company must notify IEX Regulation of the announcement at least 10 minutes prior to the start of System Hours (as defined in IEX Rule 1.160(oo)). The Company should make the public announcement as promptly as possible but not more than four business days following receipt of the notification.

• • • Supplementary Material • • •

.01 Disclosure of Written Notice of Staff Determination

IEX Rule 14.501(c) requires that a Company make a public announcement by filing a Form 8-K, where required by SEC rules, or by issuing a press release disclosing the receipt of (i) a notice that the Company does not meet a listing standard set forth in Chapter 14 or 16, (ii) a Staff Delisting Determination to limit or prohibit continued listing of the Company's securities under IEX Rule 14.501 as a result of the Company's failure to comply with the continued listing requirements, or (iii) a Public Reprimand Letter; provided, however, that if the notification relates to a failure to meet the requirements of IEX Rules 14.207(c)(1) or (2), the Company must make

the public announcement by issuing a press release. Such public announcement shall be made as promptly as possible, but not more than four business days following the receipt of the notification, Staff Delisting Determination, or Public Reprimand Letter, as applicable. In addition to containing all disclosure required by Form 8-K, if applicable, the public announcement must describe each specific basis and concern identified by IEX Regulation in its determination that the Company does not meet the listing standard and identify the Rules upon which the deficiency is based. For example, if the IEX Regulation determines to delist a Company based on its discretionary authority under IEX Rule 14.101, the Company must include in its public announcement the specific concerns cited in the Staff Delisting Determination. In addition, a Company may provide its own analysis of the issues raised in the Staff Delisting Determination.

If the public announcement is not made by the Company within the time allotted or does not include all of the required information, trading of its securities shall be halted (if not already halted), even if the Company appeals the Staff Delisting Determination or Public Reprimand Letter as set forth in IEX Rule 14.502, and IEX Regulation may make a public announcement with the required information. If the company's failure to make this public announcement is the only basis for a trading halt, IEX would ordinarily resume trading if IEX Regulation makes the public announcement. If the Company fails to make the public announcement by the time that the Hearings Panel issues its Decision, that Decision will also determine whether to delist the Company's securities for failure to make the public announcement.

IEX Rule 14.501(c) does not relieve a Company of its disclosure obligation under the federal securities laws, nor should it be construed as providing a safe harbor under the federal securities laws. It is suggested that the Company consult with corporate/securities counsel in assessing its disclosure obligations under the federal securities laws.

(d) Types of Deficiencies and Notifications

The type of deficiency at issue determines whether the Company will be immediately suspended and delisted, or whether it may submit a compliance plan for review or is entitled to an automatic cure or compliance period before a Staff Delisting Determination is issued. In the case of a deficiency not specified below, Staff will issue the Company a Staff Delisting Determination or a Public Reprimand Letter.

(1) Deficiencies that Immediately Result in a Staff Delisting Determination.

Staff's notice will inform the Company that its securities are immediately subject to suspension and delisting when:

(A) a Company fails to timely solicit proxies; or

(B) Staff has determined, under its discretionary authority in IEX Rule 14.101, that the Company's continued listing raises a public interest concern.

(2) Deficiencies for which a Company may Submit a Plan of Compliance for Staff Review.

(A) Submission of Plan of Compliance. Unless the Company is currently under review by the Listings Review Committee for a Staff Delisting Determination, IEX Regulation may accept and review a plan to regain compliance when a Company is deficient with respect to one of the standards listed in subsections (i) through (vi) below. In accordance with Rule 14.501(d)(2)(C), plans provided pursuant to subsections (i) through (iv) and (vi) below must be provided generally within 45 calendar days, and in accordance with Rule 14.501(d)(2)(F), plans provided pursuant to subsection (v) must be provided generally within 60 calendar days.

(i) all quantitative deficiencies from standards that do not provide a compliance period;

(ii) deficiencies from the standards of IEX Rules 14.405 (Board of Directors and Committees) or 14.407(a)(4)(C) (Independent Directors/Audit Committee of Limited Partnerships) where the cure period of the Rule is not applicable;

(iii) deficiencies from the standards of IEX Rules 14.408(a) {Meetings of Shareholders}, 14.408 (c) {Quorum}, 14.411 {Review of Related Party Transactions}, 14.412 {Shareholder Approval}, 14.207(c)(3) {Auditor Registration}, 14.208(a) {Direct Registration Program}, 14.406 {Code of Conduct}, 14.407(a)(4)(D) {Partner Meetings of Limited Partners}, 14.407(a)(4)(E) {Quorum of Limited Partnerships}, 14.407(a)(4)(G) {Related Party Transactions of Limited Partnerships}, 14.413 {Voting Rights}, or 14.414 {Internal Audit Function};

(iv) failure to make the disclosure required by IEX Rule 14.207(b)(3);

(v) failure to file periodic reports as required by IEX Rule 14.207(c)(1) or (2); or

(vi) failure to meet a continued listing requirement contained in Chapter 16.

(B) Staff Alternatives Upon Review of Plan. Staff may request such additional information from the Company as is necessary to make a determination, as described below. In cases other than filing delinquencies and annual meeting deficiencies, which are governed by IEX Rule 14.501(d)(2)(F) and 14.501(d)(2)(G), respectively, upon review of a plan of compliance, Staff may either:

(i) grant an extension of time to regain compliance not greater than 180 calendar days from the date of Staff's initial notification, unless the Company is currently under review by the Listings Review Committee for a Staff Delisting Determination. If Staff grants an extension, it will inform the Company in writing of the basis for granting the extension and the terms of the extension;

(ii) issue a Staff Delisting Determination letter that includes a description of the basis for denying the extension; or

(iii) issue a Public Reprimand Letter, as defined in IEX Rule 14.500(b)(5).

(C) Timeline for Submission of Compliance Plans. Except for deficiencies from the standards of IEX Rule 14.207(c)(1) or (2), Staff's notification of deficiencies that allow for compliance plan review will inform the Company that it has 45 calendar days to submit a plan to regain compliance with the Exchange's listing standard(s). Staff may extend this deadline for up to an additional 5 calendar days upon good cause shown and may request such additional information from the Company as is necessary to make a determination regarding whether to grant such an extension.

(D) Restrictions on Compliance Plans for Certain Deficiencies. Staff will not accept a plan to achieve compliance with deficiencies in total assets and total revenue, since compliance requires stated levels of assets and revenues during completed fiscal years and therefore can only be demonstrated through audited financial statements. Similarly, a Company may not submit a plan relying on partial-year performance to demonstrate compliance with these standards. A Company may, however, submit a plan that demonstrates current or near-term compliance with the listing requirement relating to stockholders' equity or Market Value of Listed Securities.

(E) Failure to Meet the Terms of a Staff Extension. If the Company does not regain compliance within the time period provided by all applicable Staff extensions, Staff will immediately issue a Staff Delisting Determination indicating the date on which the Company's securities will be suspended unless it requests review by a Hearings Panel.

(F) Filing Delinquencies. In the case of deficiencies from the standards of IEX Rule 14.207(c)(1) or (2):

(i) Staff's notice shall provide the Company with 60 calendar days to submit a plan to regain compliance with the listing standard; provided, however, that the Company shall not be provided with an opportunity to submit such a plan if review under IEX Rule 14.500 of a prior Staff Delisting Determination with respect to the Company is already pending. Staff may extend this deadline for up to an additional 15 calendar days upon good cause shown and may request such additional information from the Company as is necessary to make a determination regarding whether to grant such an extension.

(ii) The maximum additional time provided by all exceptions granted by Staff for a deficiency described in paragraph (i) above is 180 calendar days from the due date of the first late periodic report (as extended by Rule 12b-25 under the Act, if applicable). In determining whether to grant an exception, and the length of any such exception, Staff will consider, and the Company should address in its plan of compliance, the Company's specific circumstances, including the likelihood that the filing can be made within the exception period, the Company's past compliance history, the reasons for the late filing, corporate events that may occur within the exception period, the Company's general financial status, and the Company's disclosures to the market. This review will be based on information provided by a variety of sources, which may include the Company, its audit committee, its outside auditors, the staff of the SEC and any other regulatory body.

(G) Annual Meeting. In the case of deficiencies from the standards of Rules 14.408(a) and 14.407(a)(4)(D):

(i) Staff's notice shall provide the Company with 45 calendar days to submit a plan to regain compliance with the listing standard; provided, however, that the Company shall not be provided with an opportunity to submit such a plan if review under the Rule Series 14.500 of a prior Staff Delisting Determination with respect to the Company is already pending. Staff may extend this deadline for up to an additional 15 calendar days upon good cause shown and may request such additional information from the Company as is necessary to make a determination regarding whether to grant such an extension.

(ii) The maximum additional time provided by all exceptions granted by Staff is 180 calendar days from the deadline to hold the annual meeting (one year after the end of the Company's fiscal year). In determining whether to grant an exception, and the length of any such exception, Staff will consider, and the Company should address in its plan of compliance, the Company's specific circumstances, including the likelihood that the Company would be able to hold an annual meeting within the exception period, the Company's past compliance history, the reasons for the failure to hold the annual meeting timely, corporate events that may occur within the exception period, the Company's general financial status, and the Company's disclosures to the market. This review will be based on information provided by a variety of sources, which may include the Company, its audit committee, its outside auditors, the staff of the SEC and any other regulatory body.

(3) Deficiencies for which the Rules Provide a Specified Cure or Compliance Period.

With respect to deficiencies related to the standards listed in (A) - (E) below, Staff's notification will inform the Company of the applicable cure or compliance period provided by these Rules and discussed below. If the Company does not regain compliance within the specified cure or compliance period, IEX Regulation will immediately issue a Staff Delisting Determination letter.

(A) Bid Price Requirement. A failure to meet the continued listing requirement for minimum bid price shall be determined to exist only if the deficiency continues for a period of 30 consecutive business days. Upon such failure, the Company shall be notified promptly and shall have a period of 180 calendar days from such notification to achieve compliance. Compliance can be achieved during any compliance period by meeting the applicable standard for a minimum of 10 consecutive business days during the applicable compliance period, unless Staff exercises its discretion to extend this 10 day period as discussed in IEX Rule 14.501(d)(3)(F).

(B) Market Makers. A failure to meet the continued listing requirement for a number of Market Makers shall be determined to exist only if the deficiency continues for a period of 10 consecutive business days. Upon such failure, the Company shall be notified promptly and shall have a period of 30 calendar days from such notification to achieve compliance. Compliance can be achieved by meeting the applicable standard for a minimum of 10 consecutive business days during the 30 day compliance period.

(C) Market Value of Listed Securities. A failure to meet the continued listing requirements for Market Value of Listed Securities shall be determined to exist only if the deficiency continues for a period of 30 consecutive business days. Upon such failure, the Company shall be notified promptly and shall have a period of 180 calendar days from such notification to achieve compliance. Compliance can be achieved by meeting the applicable standard for a minimum of 10 consecutive business days during the 180 day compliance period.

(D) Market Value of Publicly Held Shares. A failure to meet the continued listing requirement for Market Value of Publicly Held Shares shall be determined to exist only if the deficiency continues for a period of 30 consecutive business days. Upon such failure, the Company shall be notified promptly and shall have a period of 180 calendar days from such notification to achieve compliance. Compliance can be achieved by meeting the applicable standard for a minimum of 10 consecutive business days during the 180 day compliance period.

(E) Independent Director and Audit Committee Rules. If a Company fails to meet the majority board independence requirement in IEX Rule 14.405(b)(1) due to one vacancy, or because one director ceases to be independent for reasons beyond his/her reasonable control, IEX Regulation will promptly notify the Company and inform it has until the earlier of its next annual shareholders meeting or one year from the event that caused the deficiency to cure the deficiency. However, if the Company's next annual shareholders' meeting is held sooner than 180 days after the event that caused the deficiency, then the Company has 180 days from the event that caused the deficiency to cure it.

If a Company fails to meet the audit committee composition requirements in IEX Rule 14.405(c)(2) because an audit committee member ceases to be independent for reasons outside his/her control, IEX Regulation will promptly notify the Company and inform it that has until the earlier of its next annual

shareholders meeting or one year from the occurrence of the event that caused the failure, to cure the deficiency. If the Company fails to meet the audit committee composition requirement due to one vacancy on the audit committee, and the Company is not relying upon a cure period for another member, IEX Regulation will promptly notify the Company and inform it that it has until the earlier of its next annual shareholders meeting or one year from the event that caused the failure to cure the deficiency. However, if the Company's next annual shareholders' meeting is held sooner than 180 days after the event that caused the deficiency, then the Company has 180 days from the event that caused the deficiency to cure it.

(F) Staff Discretion Relating to the Price-based Requirements.: If a Company fails to meet the Market Value of Listed Securities, Market Value of Publicly Held Shares, or Bid Price requirements, each of which is related to the Company's security price and collectively called the "Price-based Requirements," compliance is generally achieved by meeting the requirement for a minimum of ten consecutive business days. However, Staff may, in its discretion, require a Company to satisfy the applicable Price-based Requirement for a period in excess of ten consecutive business days, but generally no more than 20 consecutive business days, before determining that the Company has demonstrated an ability to maintain long-term compliance. In determining whether to require a Company to meet the applicable Price-based-requirement beyond ten business days, Staff may consider all relevant facts and circumstances, including without limitation:

(i) the margin of compliance (the amount by which a Company exceeds the applicable Price-based requirement);

(ii) the trading volume (a lack of trading volume may indicate a lack of bona fide market interest in the security at the posted bid price);

(iii) the Market Maker quoting activity (the number of Market Makers quoting at or above $1.00 or the minimum price necessary to satisfy another Price-based Requirement; and the size of their quotes); and

(iv) the trend of the stock price (is it up or down).

(4) Public Reprimand Letter.

Staff's notification may be in the form of a Public Reprimand Letter in cases where the Company has violated an Exchange corporate governance or notification listing standard (other than one required by Rule 10A-3 of the Act) and Staff determines that delisting is an inappropriate sanction. In determining whether to issue a public reprimand letter, IEX Regulation will consider whether the violation was inadvertent, whether the violation materially adversely affected shareholders' interests, whether the violation has been cured, whether the Company reasonably relied on an independent advisor and whether the Company has demonstrated a pattern of violations.

(e) Additional Deficiencies

IEX Regulation continues to evaluate the compliance of Companies while they are under review by the Listings Review Committee and may identify additional deficiencies. Upon identification of an additional deficiency, Staff will issue an additional notification of deficiency to the Company and send a copy to the Listings Review Committee.

(1) Staff's notification of the additional deficiency will conform to the requirements set forth in IEX Rule 14.501(b) if:

(A) the matter under review by the Listings Review Committee is a Public Reprimand Letter; or

(B) the additional deficiency identified is one that has an automatic cure or compliance period. If the additional deficiency is one that would in the normal course result in immediate suspension and delisting, or one for which the Company may submit a compliance plan to Staff for review, Staff's notification will instruct the Company to address the issue to the Listings Review Committee at its hearing, unless the hearing for the original deficiency has already taken place. If the hearing has already taken place, Staff's notification will instruct the Company to provide in writing, within a specified time period, a submission that addresses the deficiency to the Listings Review Committee before which its matter is pending.

(Amended by SR-IEX-2016-19 eff. December 12, 2016; amended by SR-IEX-2017-14 eff. June 12, 2017; amended by SR-IEX-2017-41 eff. December 4, 2017).

Rule 14.502. Review of Staff Determinations by the Listings Review Committee

When a Company receives a Staff Delisting Determination or a Public Reprimand Letter issued by IEX Regulation it may request in writing that the Listings Review Committee review the matter in a written or an oral hearing. This section sets forth the procedures for requesting a hearing before the Listings Review Committee, describes the Listings Review Committee and the possible outcomes of a hearing, and sets forth Listings Review Committee procedures.

(a) Procedures for Requesting and Preparing for a Hearing

(1) Timely Request Stays Delisting

(A) A Company may, within seven calendar days of the date of the Staff Delisting Determination notification or Public Reprimand Letter request a written or oral hearing before the Listings Review Committee to review the Staff Delisting Determination or Public Reprimand Letter. Subject to the limitation in paragraph (B) below, a timely request for a hearing will stay the suspension and delisting action pending the issuance of a written Listings Review Committee Decision. Requests for hearings should be submitted in writing to the General Counsel.

(B) A request for a hearing shall ordinarily stay the delisting action pending the issuance of a Listings Review Committee Decision. However, if the Staff Delisting Determination relates to deficiencies from the standards of IEX Rule 14.207(c)(1) or (2), which require a Company to timely file its periodic reports with the Commission, the delisting action will only be stayed for 15 calendar days from the deadline to request a hearing unless the Company specifically requests and the Listings Review Committee grants a further stay. A request for a further stay must include an explanation of why such a stay would be appropriate and should be included in the Company's request for a hearing. Based on that submission and any recommendation provided by Staff, the Listings Review Committee will determine whether to grant the Company a further stay. In determining whether to grant the stay, the Listings Review Committee will consider the Company's specific circumstances, including the likelihood that the filing can be made within any exception period that could subsequently be granted, the Company's past compliance history, the reasons for the late filing, corporate events that may occur within the exception period, the Company's general financial status, and the Company's disclosures to the market. The Listings Review Committee will

notify the Company of its conclusion as soon as is practicable, but in no event more than 15 calendar days following the deadline to request the hearing. In the event the Listings Review Committee determines not to grant the Company a stay, the Company's securities will be immediately suspended and will remain suspended unless the Listings Review Committee Decision issued after the hearing determines to reinstate the securities.

(2) Failure to Request Results in Immediate Delisting

If a Company fails to request in writing a hearing within seven calendar days, it waives its right to request review of a Delisting Determination or Public Reprimand Letter. In that event, IEX Regulation will take action to suspend trading of the securities and follow procedures to delist the securities.

(3) Fees

Within 15 calendar days of the date of the Staff Delisting Determination or Public Reprimand Letter the Company must submit a hearing fee to the Exchange, to cover the cost of the hearing, as follows:

(A) when the Company has requested a written hearing, $1,000; or

(B) when the Company has requested an oral hearing, whether in person or by telephone, $5,000.

(4) Scheduling of Hearings

The General Counsel will schedule hearings to take place, to the extent practicable, within 45 days of the request for a hearing, at a location determined by the General Counsel. The General Counsel will send written acknowledgment of the Company's hearing request and inform the Company of the date, time, and location of the hearing, and deadlines for written submissions to the Listings Review Committee. The Company will be provided at least ten calendar days notice of the hearing unless the Company waives such notice.

(5) Submissions from Company

The Company may submit to the General Counsel a written plan of compliance and request that the Listings Review Committee grant an exception to the listing standards for a limited time period, as permitted by IEX Rule 14.502(b)(1)(A) or may set forth specific grounds for the Company's contention that the issuance of a Staff Delisting Determination or Public Reprimand Letter was in error, and may also submit public documents or other written material in support of its position, including any information not available at the time of the Staff Determination. The Listings Review Committee will review the written record, as described in IEX Rule 14.505(a), before the hearing.

(6) Presentation at Hearing

At an oral hearing, the Company may make such presentation as it deems appropriate, including the appearance by its officers, directors, accountants, counsel, investment bankers, or other persons, and the Listings Review Committee may question any representative appearing at the hearing. Hearings are generally scheduled to last one hour, but the Hearings Panel may extend the time. The General Counsel or his or her designee will arrange for and keep on file a transcript of oral hearings.

(b) Scope of the Listings Review Committee's Discretion

(1) The Listings Review Committee may, where it deems appropriate:

(A) grant an exception to the continued listing standards for a period not to exceed 180 days from the date of the Staff Delisting Determination with respect to the deficiency for which the exception is granted;

(B) suspend and delist the Company's securities;

(C) issue a Decision that serves as a Public Reprimand Letter in cases where the Company has violated an Exchange corporate governance or notification listing standard (other than one required by Rule 10A-3 of the Act) and the Listings Review Committee determines that delisting is an inappropriate sanction. In determining whether to issue a Public Reprimand Letter, the Listings Review Committee will consider whether the violation was inadvertent, whether the violation materially adversely affected shareholders' interests, whether the violation has been cured, whether the Company reasonably relied on an independent advisor and whether the Company has demonstrated a pattern of violations;

(D) find the Company in compliance with all applicable listing standards; or

(E) in the case of a Company that fails to file a periodic report (e.g., Form 10-K, 10-Q, 20-F, 40-F, or N-CSR), the Listings Review Committee may grant an exception for a period not to exceed 360 days from the due date of the first such late periodic report. The Company can regain compliance with the requirement by filing that periodic report and any other delinquent reports with due dates falling before the end of the exception period. In determining whether to grant an exception, and the length of any such exception, the Listings Review Committee will consider the Company's specific circumstances, including the likelihood that the filing can be made within the exception period, the Company's past compliance history, the reasons for the late filing, corporate events that may occur within the exception period, the Company's general financial status, and the Company's disclosures to the market. This review will be based on information provided by a variety of sources, which may include the Company, its audit committee, its outside auditors, the staff of the SEC and any other regulatory body.

(F) In the case of a Company or Limited Partnership that fails to hold an annual meeting, the Listings Review Committee may grant an exception for a period not to exceed 360 days from the deadline to hold the annual meeting (one year after the end of the Company's fiscal year).

(2) The Listings Review Committee may consider any failure to meet any quantitative or qualitative standard for continued listing, including failures previously not considered by Staff. The Company will be given written notice of such consideration and an opportunity to respond.

(3) Under the authority described in IEX Rule 14.101, the Listings Review Committee may subject the Company to additional or more stringent criteria for the continued listing of particular securities based on any event, condition, or circumstance that exists or occurs that makes continued listing of the securities inadvisable or unwarranted in its opinion, even though the securities meet all enumerated criteria for continued listing on the Exchange.

(c) Listings Review Committee Procedures

(1) Decision

After the hearing, the General Counsel, on behalf of the Listings Review Committee, will issue a Decision that meets the requirements of IEX Rule 14.505(c) and has been approved by at least a majority of the members of the Listings Review Committee in attendance. The Listings Review Committee Decision shall be promptly provided to the Company, and is effective immediately upon issuance, unless it specifies to the contrary. If the Listings Review Committee is deadlocked, the Chair's vote shall count twice, or if the Chair is not in attendance, the vote of the next most senior member of the Listings Review Committee shall count twice.

(2) Form 25 Notification of Delisting

If the Listings Review Committee issues a Decision to delist the Company's securities, IEX Regulation will immediately take action to suspend trading of the securities, unless the Decision specifies to the contrary, and the Exchange will follow the procedures described in IEX Rule 14.503 to submit an application on Form 25 to the SEC to strike the security from listing.

(3) Procedures Applicable for Recurring Deficiencies

(A) Listings Review Committee Monitor

The Listings Review Committee may, after a Company regains compliance with all applicable listing standards, monitor the Company's continued compliance for up to one year after the compliance date, if the Listings Review Committee concludes that there is a likelihood that the issuer will fail to maintain compliance with one or more listing standards during that period. If the Listings Review Committee or IEX Regulation determines that a Company under Listings Review Committee monitor fails any listing standard during the monitor period, the Staff will issue a Staff Delisting Determination and the General Counsel or his or her designee will promptly schedule a new hearing. The hearing may be oral or written, at the Company's election.

Notwithstanding IEX Rule 14.501(d)(2), the Company will not be permitted to provide IEX Regulation with a plan of compliance with respect to any deficiency that arises during the monitor period, and IEX Regulation will not be permitted to grant additional time for the Company to regain compliance with respect to any deficiency. The Listings Review Committee will consider the Company's compliance history when rendering its Decision.

(B) No Listings Review Committee Monitor

If the Listings Review Committee has not opted to monitor a Company that has regained compliance with the listing standards requiring the Company to maintain certain levels of stockholders' equity or to timely file periodic reports, and within one year of the date the Company regained compliance with such listing standard, IEX Regulation finds the Company again out of compliance with the requirement that was the subject of the exception, then, notwithstanding IEX Rule 14.501(d)(2), IEX Regulation will not allow the Company to provide it with a plan of compliance or grant additional time for the Company to regain compliance. Rather, IEX Regulation will promptly issue a Staff Delisting Determination, and the Company may request review by the Listings Review Committee. The Listings Review Committee will consider the Company's compliance history when rendering its Decision.

(4) Request for Listings Review Committee Reconsideration

A Company may request, in writing, that the Listings Review Committee reconsider a Listings Review Committee Decision only upon the basis that a mistake of material fact existed at the time of the Listings Review

Committee Decision. The Company's request for reconsideration shall be made within seven calendar days of the date of issuance of the Listings Review Committee Decision. A Company's request for reconsideration will not stay a delisting determination or suspension of trading of the Company's securities, unless the Listings Review Committee, before the scheduled date for suspension, issues a written determination staying the suspension and/or reversing the determination to delist.

If the Listings Review Committee grants a Company's reconsideration request, it will issue a modified Decision meeting the requirements of IEX Rule 14.505(c) within 15 calendar days of the date of the original Listings Review Committee Decision.

(Amended by SR-IEX-2017-41 eff. December 4, 2017).

Rule 14.503. Finality of Delisting Determination

When the Exchange has made a final determination to delist a Company's securities, it will follow procedures consistent with the Act to strike the security from listing. The Exchange's determination to delist a Company's securities is final when, after a Delisting Determination has been issued, all available reconsideration procedures and periods available under these Rules have expired.

The Exchange will issue a press release and post a notice on its website announcing its final determination to remove a security from listing, consistent with Rule 12d2-2 under the Act. Under Rule 12d2-2, the Exchange must disseminate this public notice not less than 10 days before the delisting becomes effective and maintain the website notice until the delisting is effective. Following the public notification, the Exchange will file an application on Form 25 with the Commission to delist the security, and will promptly provide a copy of that Form 25 to the Company. The delisting of the security becomes effective 10 days after the Form 25 is filed pursuant to Rule 12d2-2(d)(1) under the Act, unless the Commission postpones the delisting pursuant to Rule 12d2-2(d)(3).

Rule 14.504. Rules Applicable to the Listings Review Committee and Advisors

(a) Ex Parte Communications

(1) No Ex parte Communications

No member of the staff of IEX Regulation or its counsel, and no Company representative will make or knowingly cause to be made an ex parte communication relevant to the merits of a proceeding under this Section to the Listings Review Committee, any member thereof or any Advisor. Similarly, neither the Listings Review Committee, any member thereof nor any Advisor will make or knowingly cause to be made an ex parte communication relevant to the merits of a proceeding to a Company representative, a member of the staff of IEX Regulation or its counsel.

(2) If an ex parte communication as described in paragraph (1) is made, received or caused to be made, the person making such ex parte communication will place a copy of it, or its substance if it is an oral communication, in the record of the proceeding. Staff of IEX Regulation or the Company, as applicable, will be permitted to respond to the ex parte communication, and any response will be placed in the record of the proceeding.

(b) Recusal or Disqualification

No person will participate as a member of the Listings Review Committee, the staff of IEX Regulation, or Advisor to either thereof, in a matter as to which he or she has a conflict of interest or bias, or circumstances otherwise exist

where his or her fairness might reasonably be questioned. In any such case, the person will recuse himself or herself, or will be disqualified. The Chair of the Listings Review Committee shall have authority to order the disqualification of a member of the Listings Review Committee and a majority of the Listings Review Committee excluding the Chair, shall have authority to order the disqualification of the Chair. A Company that has requested a review by the Listings Review Committee shall provide such information as determined by IEX necessary to enable IEX and the members of the Listings Review Committee, the staff of IEX Regulation, or an Advisor to either thereof to determine whether he or she has a conflict of interest or bias, or circumstances otherwise existing where his or her fairness might reasonably be questioned.

(Amended by SR-IEX-2017-41 eff. December 4, 2017).

Rule 14.505. Adjudicatory Process: General Information

(a) Record on Review

At each proceeding under this Section, the written record may consist of the following items, as applicable: correspondence between the Exchange and the Company; the Company's public filings; information released to the public by the Company; written submissions, exhibits, or requests submitted by either the Company or IEX Regulation and responses thereto; and any additional information considered by the Listings Review Committee as part of the review process. The written record will be supplemented by the transcript of any hearings held during the review process and all Decisions issued.

At each review under this Section, the Company will be informed of the contents of the written record. The Company will be provided a copy of any documents in the record that were not provided by the Company or are not publicly available, at least three calendar days before the deadline for Company submissions, unless the Company waives this production.

If additional issues arising under Chapter 14 or 16 are considered, as permitted by IEX Rule 14.500, the notice of such consideration and any response to such notice shall be made a part of the record.

(b) Additional Information Requested or Considered

At each proceeding under this Section, the Listings Review Committee, as part of its review:

(1) may request additional information from the Company or IEX Regulation; and

(2) may consider additional information available from other sources it deems relevant. The Company and IEX Regulation will be afforded written notice and an opportunity to address the significance of any information requested or considered, and the notice, responses to the notice, and the information considered will be made part of the record.

(c) Contents of Decisions

Each Listings Review Committee written Decision will include:

(1) a statement describing the procedural history of the proceeding, including investigations or reviews undertaken by IEX Regulation;

(2) the quantitative or qualitative standard that the Company is alleged to have failed to satisfy;

(3) a statement setting forth the findings of fact with respect to the Company;

(4) the conclusions of the Listings Review Committee as to whether the Company has failed to satisfy the quantitative or qualitative standards for initial or continued listing; and

(5) a statement of the Listings Review Committee in support of its disposition of the matter, and, if applicable, the rationale for any exception to the initial or continued listing requirements granted.

(d) Correction of Clerical Errors

The Listings Review Committee may correct clerical or other non-substantive errors in its Decisions either on their own motion or at the request of a Company. A copy of any such corrected Decision will be provided to the Company.

(e) Computation and Adjustment of Time

(1) Except as described in paragraph (B) below, in counting any time under this Section, the day of the act, event, or default from which the period of time begins to run, is not to be included. The last day of the period is included, unless it is a Saturday, Sunday, federal holiday, or Exchange holiday in which case the period runs until the end of the next day that is not a Saturday, Sunday, federal holiday or Exchange holiday.

(2) When Staff determines whether a deficiency has occurred with respect to the Price, Market Value of Listed Securities, or Market Value of Publicly Held Shares requirements, the first trading day that the Price or Market Value is below required standards is included in computing the total number of consecutive trading days of default. Similarly, when Staff determines whether a Company has regained compliance with the Price, Market Value of Listed Securities, or Market Value of Publicly Held Shares requirements, the first trading day that the Price or Market Value is at or above required standards is included in computing the total number of consecutive trading days.

(3) If the Office of General Counsel determines that notice required to be provided under this Section was not properly given or that other extenuating circumstances exist, the Office of General Counsel may adjust the periods of time provided by the rules for the filing of written submissions, the scheduling of hearings, or the performance of other procedural actions by the Company or the Listings Review Committee, as applicable, to allow the Company or the Listings Review Committee the time contemplated by these rules.

(4) A Company may waive any notice period specified in this Section.

(f) Delivery of Documents

Delivery of any document under this Section may be made by electronic delivery, hand delivery, facsimile, regular mail, or overnight courier. Delivery will be considered timely if the electronic delivery, hand delivery, fax, or overnight courier is received on or before the relevant deadline. If a Company has not specified a facsimile number, e-mail address, or street address, delivery will be made to the last known facsimile number, e-mail address, and street address. If a Company is represented by counsel or a representative, delivery may be made to the counsel or representative.

(g) Document Retention Procedures

Any document submitted to the Exchange in connection with a proceeding under this Section will be retained in accordance with applicable record retention policies.

(h) Documentation of Decisions

IEX Regulation or the Advisor to the Listings Review Committee, as applicable, shall document the date on which a Decision with respect to a Company is implemented.

(i) Re-Listing of a Company

A Company that has been the subject of a Decision by the Listings Review Committee to delist such Company shall be required, prior to re-listing, to comply with the requirements for initial listing. A Company that has been suspended but that has not been the subject of such a Decision shall be required, prior to re-listing, to comply with requirements for continued listing.

(j) Voluntary Delisting

(1) A Company may voluntarily terminate its listing upon compliance with all requirements of Rule 12d2-2(c) under the Act. In part, Rule 12d2-2(c) requires that the Company may delist by filing an application on Form 25 with the Commission, provided that the Company: (i) complies with all applicable laws in effect in the state in which it is incorporated and with the applicable IEX Rules; (ii) provides notice to the Exchange no fewer than 10 days before the Company files the Form 25 with the Commission, including a statement of the material facts relating to the reasons for delisting; and (iii) contemporaneous with providing notice to the Exchange, publishes notice of its intent to delist, along with its reasons therefore, via a press release and on its web site, it if has one. Any notice provided on the Company's web site pursuant to Rule 12d2-2(c) must remain available until the delisting has become effective. The Company must also provide a copy of the Form 25 to the Exchange simultaneously with its filing with the Commission. The Exchange will provide notice on its web site of the Company's intent to delist as required by Rule 12d2-2(c)(3).

(2) A Company that seeks to voluntarily delist a class of securities pursuant to IEX Rule 14.505(j)(1) that has received notice from the Exchange, pursuant to IEX Rule 14.500 or otherwise, that it fails to comply with one or more requirements for continued listing, or that is aware that it is below such continued listing requirements notwithstanding that it has not received such notice from the Exchange, must disclose this fact (including the specific continued listing requirement that it is below) in: (i) its statement of all material facts relating to the reasons for withdrawal from listing provided to the Exchange along with written notice of its determination to withdraw from listing required by Rule 12d2- 2(c)(2)(ii) under the Act; and (ii) its press release and web site notice required by Rule 12d2-2(c)(2)(iii) under the Act.

(k) Disclosure of Public Reprimand Letter

A Company that receives a Listings Review Committee Decision that serves as a Public Reprimand Letter must make a public announcement by filing a Form 8-K, where required by SEC rules, or by issuing a press release disclosing the receipt of the Decision, including the Rule(s) upon which the Decision was based. As described in IEX Rule 14.207(b)(1) and Supplementary Material .01 to IEX Rule 14.207, the Company must notify the IEX Regulation about the announcement through the electronic disclosure submission system available on the Exchange's Web site, except in emergency situations when notification may instead be provided by telephone or facsimile. If the public announcement is made during System Hours (as defined in IEX Rule 1.160(oo)), the Company must notify IEX Regulation at least ten minutes prior to the announcement. If the public announcement is made outside of System

Hours (as defined in IEX Rule 1.160(oo)), the Company must notify IEX Regulation of the announcement at least ten minutes prior to the start of System Hours (as defined in IEX Rule 1.160(oo)). The Company should make the public announcement as promptly as possible but not more than four business days following receipt of the Decision.

(l) Disclosure by IEX

In order to maintain the quality of and public confidence in its market and to protect investors and the public interest, IEX may, at any level of a proceeding under this IEX Rule 14.500, make a public announcement, including by press release, describing a notification, Public Reprimand Letter, Staff Delisting Determination, Adjudicatory Body Decision, or other event involving a Company's listing or trading on IEX.

(Amended by SR-IEX-2017-14 eff. June 12, 2017).

Rule 14.600. Listed Company Fees

Rule 14.601.

(a) This rule sets forth the required fees for IEX Companies.

(b) Annual Fee. Each IEX Company shall pay to IEX a $50,000 all-inclusive annual fee. The fee will be assessed on January 1st for the upcoming calendar year, subject to a pro-rata refund if the IEX Company ceases to be listed on IEX during the calendar year for which such fee was paid. No annual fee will be assessed in the first calendar year of listing.

(c) Credits. An IEX Company that prior to or within 120 calendar days of the first IEX listing, announces its intent to transfer its listing to IEX in the Company's press release issued pursuant to Rule 12d2-2(c)(2)(iii) under the Act announcing its intent to withdraw its securities from listing on its current national securities exchange will receive a credit against the annual listing fee specified in paragraph (b) of this IEX Rule. The credit will also apply to the first IEX listing if such listing is a transfer from another national securities exchange. The credit will be the greater of $250,000 or the amount of any nonrefundable listing fees actually paid by the IEX Company to another listing exchange during the calendar year in which it lists on IEX if the IEX Company is no longer listed on such other exchange upon listing on IEX. The credit will be applied annually against IEX listed company fees until exhausted, for such time as the IEX Company is continuously listed on IEX.

(d) Other Fees. An IEX Company is not subject to any other listing fees.

(Amended by SR-IEX-2017-30 eff. September 26, 2017).

Rule 14.602. Products and Services Available to Listed Companies

The Exchange offers all listed companies the same optional complimentary services through access to IEX Issuer, a market information analytics platform consisting of access to a team of market professionals and web-based content, that provide real-time market intelligence, fundamental and technical trading analysis, and real-time market information. In addition, IEX Issuer may, from time to time, provide information about products and services from third-party vendors that IEX determines may be relevant to listed issuers. Provision of any products and services from a third-party vendor would need to be effected through arrangements directly between the listed issuer and the third-party vendor, without any subsidy or other involvement by the Exchange. A description of all products and services available through IEX Issuer is provided on the Exchange's website.

(Adopted by SR-IEX-2017-20 eff. October 13, 2017).

CHAPTER 15. DUES, FEES, ASSESSMENTS AND OTHER CHARGES; EFFECTIVE DATE

Rule 15.110. Authority to Prescribe Dues, Fees, Assessments and Other Charges

(a) Generally. The Exchange may prescribe such reasonable dues, fees, assessments or other charges as it may, in its discretion, deem appropriate. Such dues, fees, assessments and charges may include membership dues, transaction fees, communication and technology fees, regulatory charges, listing fees, and other fees and charges as the Exchange may determine. All such dues, fees and charges shall be equitably allocated among Members, issuers and other persons using the Exchange's facilities.

(b) Regulatory Transaction Fee. Under Section 31 of the Act, the Exchange must pay certain fees to the Commission. To help fund the Exchange's obligations to the Commission under Section 31, this Regulatory Transaction Fee is assessed to Members. To the extent there may be any excess monies collected under this IEX Rule 15.110, the Exchange may retain those monies to help fund its general operating expense. Each Member engaged in executing transactions on the Exchange shall pay, in such manner and at such times as the Exchange shall direct, a Regulatory Transaction Fee equal to (i) the rate determined by the Commission to be applicable to covered sales occurring on the Exchange in accordance with Section 31 of the Act multiplied by (ii) the Member's aggregate dollar amount of covered sales occurring on the Exchange during any computational period.

(c) Trading Fees. The Exchange will provide Members with notice of all relevant dues, fees, assessments and charges of the Exchange. Such notice may be made available to Members on the Exchange's website or by any other method deemed reasonable by the Exchange.

(d) Connection Fees. To the extent the Exchange is charged a fee by a third party that results directly from a Member cross-connecting its trading hardware to the Exchange's System from another trading center's system that is located in the same data center as the Exchange, the Exchange will pass that fee on, in full, to the Member.

Rule 15.120. Collection of Exchange Fees and Other Claims and Billing Policy

(a) Each IEX Member, and all applicants for registration as such, shall be required to provide a clearing account number for an account at the National Securities Clearing Corporation ("NSCC") for purposes of permitting the Exchange to debit any undisputed or final fees, fines, charges and/or other monetary sanctions or other monies due and owing to the Exchange or other charges pursuant to Rule 15.110, including the Exchange Fee Schedule thereto; Regulatory Transaction Fees pursuant to Rule 15.110(b); dues, assessments and other charges pursuant to Rule 2.200 to the extent the Exchange were to determine to charge such fees; and fines, sanctions and other charges pursuant to Chapters 8 and 9 of the IEX Rulebook which are due and owing to IEX. If an IEX Member disputes an invoice, the Exchange will not include the disputed amount in the debit if the Member has provided written notification of the dispute to the IEX accounting department at accounting@iextrading.com by the later of the 25th of the month (or the following business day if the 25th is not a business day) or ten days after the date the electronic invoice was sent to the Member, and the amount in dispute is at least $10,000 or greater.

(b) All pricing disputes concerning fees, which are listed in paragraph (a), which are billed by the Exchange must be submitted to the Exchange in writing and must be accompanied by supporting documentation. All pricing disputes must be submitted no later than sixty (60) days after receipt of a billing invoice.

• • • Supplementary Material • • •

.01 Fees Collected by FINRA.

The Exchange will not debit fees due to FINRA pursuant to IEX Rule 15.110(a), which are collected and retained by FINRA.

(Adopted by SR-IEX-2016-01; effective July 27, 2016).

CHAPTER 16. OTHER SECURITIES

Rule 16.101. Preamble to the Listing Requirements for Other Securities

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

(b) The replacement of, or any significant modification to, the index, portfolio, or Reference Asset underlying a security listed under Chapter 16 of the IEX Rules (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 IEX 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 IEX 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. IEX 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 filing. As such, Companies are encouraged to consult with IEX 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 taken effect (as applicable), then IEX will immediately halt trading in the applicable security until such rule filing is approved or takes effect. If a rule filing is required but IEX determines not to submit one or withdraws the rule filing after it is submitted, or the SEC disapproves the rule filing, IEX will immediately commence delisting procedures with respect to such security.

(d) A Company with securities listed under Chapter 16 must provide IEX with prompt notification after the Company becomes aware of any noncompliance by the Company with the requirements of Chapter 16.

(Amended by SR-IEX-2016-21 eff. December 21, 2016; amended by SR-IEX-2017-14 eff. June 12, 2017).

Rule 16.105. 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 IEX, a wholly- owned subsidiary of IEX, an institution (including the Trustee for a series of Portfolio Depository Receipts), or a reporting service designated by IEX 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 IEX; 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) IEX 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 IEX. 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 IEX Rule.

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

(3) Equity. IEX 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 IEX 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 16.105(a)(3)(A)(i) will be widely disseminated by one or more major market data vendors at least every 15 seconds during the Regular Market Session.

(b) Rule 16.105(a)(3)(A)(ii) will be widely disseminated by one or more major market data vendors at least every 60 seconds during the Regular Market Session; or

(c) Rule 16.105(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 Regular Market Session.

If the index value does not change during some or all of the period when trading is occurring on IEX (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 IEX's system 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 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 Regular Market Session 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 IEX, then the last official calculated Intraday Indicative Value must remain available throughout IEX's System 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 and maintain written surveillance procedures for Portfolio Depository Receipts.

(F) Creation and redemption. For Portfolio Depository Receipts listed pursuant to IEX Rule 16.105(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. IEX may approve a series of Portfolio Depositary 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. Component of an index or portfolio that underlies a series of Portfolio Depositary 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 the 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) IEX 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 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 IEX Rule 16.105(a)(3) or (4) above. After IEX 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 Regular Market Session, 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 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 to IEX Rules 16.105(a)(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 IEX 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 Depositary Receipts is required to be outstanding at start-up of trading.

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

(7) Regular Market Session trading will occur between 9:30 a.m. and 4:00 p.m. for each series of Portfolio Depository Receipts. In addition, IEX may designate each series of Portfolio Depository Receipts for trading during the Pre-Market Session beginning at 8:00 a.m. and/or the Post-Market Session ending at 5:00 p.m.

(8) IEX 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 IEX or its agent, a wholly- owned subsidiary of IEX, 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 IEX subject to application of the following criteria:

(A) Initial Listing.

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

(ii) IEX 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) IEX will consider the suspension of trading in, and will initiate delisting proceedings under the IEX Rule Series 14.500, 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 IEX 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 IEX 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 IEX, 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 IEX Rule 16.105(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 IEX Regular Market Session 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 IEX, makes further dealings on IEX inadvisable.

Upon termination of a Trust, IEX 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) IEX may submit a rule filing pursuant to Section 19(b) of the Act to permit the listing and trading of Portfolio Depositary 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 IEX listing rules specified in such proposals, constitute continued listing standards.

(11) Neither IEX, the Reporting Authority nor any agent of IEX 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 IEX, the Reporting Authority, or any agent of IEX or any act, condition or cause beyond the reasonable control of IEX, 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) Index Fund Share – continued.

(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 as defined in subparagraph (1)(B)(ii) of this IEX 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 Index Fund Shares referenced in the provisions of this subparagraph (1)(B) of this IEX Rule, 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 an Index Fund Shares included in the provisions of this subparagraph (1)(B)(ii) of this IEX Rule, 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 IEX, a wholly-owned subsidiary of IEX, or an institution or reporting service designated by IEX 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 IEX; 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).

(2) IEX 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 IEX. 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 IEX Rule.

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

(3) Equity. IEX 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 U.S. Component Stocks 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 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: Exchange Traded Funds consisting of Portfolio Depository Receipts and Index Fund Shares (IEX Rule 16.105); Trust Issued Receipts (IEX Rule 16.120); Commodity-Based Trust Shares, Currency Trust Shares, Commodity Index Trust Shares, Commodity Futures Trust Shares, Partnership Units, Trust Units, Managed Trust Shares, (IEX Rule 16.111); and Managed Fund Shares (IEX Rule 16.135).

(b) Component stocks (excluding Derivative Securities Products) that in the aggregate account for at least 70% 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 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 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 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 index or portfolio; and

(e) All securities in the index or portfolio shall be U.S. Component Stocks listed on IEX 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 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 (excluding Derivative Securities Products) that in the aggregate account for at least 90% of the weight 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 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 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 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 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 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 Index Fund Shares listed pursuant to:

(a) IEX Rule 16.105(b)(3)(A)(i) will be widely disseminated by one or more major market data vendors at least every 15 seconds during the Regular Market Session;

(b) IEX Rule 16.105(b)(3)(A)(ii) will be widely disseminated by one or more major market data vendors at least every 60 seconds during the Regular Market Session; or

(c) IEX Rule 16.105(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 Regular Market Session.

If the index value does not change during some or all of the period when trading is occurring on IEX (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 IEX's system 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 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 Regular Market Session; 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 IEX, then the last official calculated Intraday Indicative Value must remain available throughout IEX's System Hours. All requirements set forth in this paragraph must be satisfied on an initial and continued listing basis.

(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 IEX Rule 16.105(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. IEX 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. Component 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 Fixed Income Securities;

(ii) Components that in the 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 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 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) IEX 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 IEX Rule 16.105(b)(3) or (4) above. After IEX 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 the Regular Market Session, 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 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 IEX Rules 16.105(b)(4) and (5) above on an initial and, except for paragraph (B) below, continued listing basis:

(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 IEX 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 and maintain written surveillance procedures for Index Fund Shares.

(7) Regular Market Session trading will occur between 9:30 a.m. and 4:00 p.m. for each series of Index Fund Shares. In addition, IEX may designate each series of Index Fund Shares for trading during the Pre-Market Session beginning at 8:00 a.m. and/or the Post-Market Session ending at 5:00 p.m.

(8) IEX 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 IEX 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 IEX subject to application of the following criteria:

(A) Initial Listing.

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

(ii) IEX 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) IEX will consider the suspension of trading in, and will initiate delisting proceedings under IEX Rule Series 14.500 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 IEX 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 IEX 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 IEX 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 IEX Rule 16.105(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 is no longer disseminated at least every 15 seconds during IEX's Regular Market Session 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 IEX, makes further dealings on IEX inadvisable.

Upon termination of an open-end management investment company, IEX 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) IEX 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 IEX listing rules specified in such proposals, constitute continued listing standards.

(11) Neither IEX, the Reporting Authority, nor any agent of IEX 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 IEX, the Reporting Authority or any agent of IEX, or any act, condition or cause beyond the reasonable control of IEX, 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.

(Amended by SR-IEX-2016-03 eff. July 29, 2016; amended by SR-IEX-2017-14 eff. June 12, 2017).

Rule 16.110. Securities Linked to the Performance of Indexes and Commodities (Including Currencies)

IEX 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 IEX 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 IEX Rule 16.127.

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. IEX 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 IEX Rule 16.130(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.

(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, IEX 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, IEX 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 "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 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 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 (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 Regular Market Session. 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, IEX may halt trading during the day on which such interruption occurs. IEX 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 IEX written surveillance procedures for Linked Securities. IEX 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

(1) 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. In addition, the index or indexes to which the security is linked shall either:

(i) have been reviewed and approved for the trading of 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

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

(a) 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;

(b) 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;

(c) Indexes based upon the equal-dollar or modified equal-dollar weighting method will be rebalanced at least semiannually;

(d) 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;

(e) 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);

(f) 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; and

(g) All component securities shall be either (A) securities (other than securities of a foreign issuer and American Depository 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 IEX will not in the aggregate represent more than 20% of the dollar weight of the index.

(B) Continued Listing Criteria

(i) IEX 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 and the five highest dollar weighted components in the index 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 that in the aggregate account for at least 90% of the weight of the index 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.

(ii) In connection with an Equity Index-Linked Security that is listed pursuant to paragraph (i)(A)(1) above, IEX 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.

(iii) IEX will consider the suspension of trading in, and will initiate delisting proceedings under IEX Rule Series 14.500 (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 IEX (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 IEX System Hours; or

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

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

(2) 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:

(i) 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.

(ii) 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 IEX 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 IEX 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:

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

(ii) IEX will consider the suspension of trading in, and will initiate delisting proceedings under IEX Rule Series 14.500, 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 is no longer calculated or available and a new Commodity Reference Asset persists past the trading day in which it occurred or is substituted, unless the new Commodity Reference Asset meets the requirements of this IEX Rule; or

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

(3) Fixed Income Index-Linked Securities Listing Standards

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

(i) 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.

(ii) 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:

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

(ii) IEX will consider the suspension of trading in, and will initiate delisting proceedings under the IEX Rule Series 14.500, under any of the following circumstances:

(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 IEX Rule 16.110(k); or

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

(4) Futures-Linked Securities Listing Standards

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

(i) 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

(ii) 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 IEX 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:

(i) 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 the Regular Market Session (as defined in IEX Rule 11.110); and

(ii) 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 IEX or one or more major market data vendors on at least a 15-second basis during the Regular Market Session (as defined in IEX Rule 11.110).

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

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

(ii) IEX will consider the suspension of trading in, and will initiate delisting proceedings under the IEX Rule Series 14.500, 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 IEX Rule 16.110(k); or

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

(5) Multifactor Index-Linked Securities Listing Standards

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

(i) 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

(ii) 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 IEX Rule 16.110(k).

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

(i) 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 IEX; and

(ii) 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 IEX.

(C) IEX will consider the suspension of trading in, and will initiate delisting proceedings under the IEX Rule Series 14.500:

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

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

(iii) an interruption to the dissemination of the value of the Multifactor Reference Asset is no longer calculated or available and a new Multifactor Reference Asset persists past the trading day in which it occurred or is substituted, unless the new Multifactor Reference Asset meets the requirements of this IEX Rule 16.110(k); or

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

(l) IEX 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 IEX listing rules specified in such proposals, constitute continued listing standards. If a series of Linked Securities does not satisfy these requirements, IEX may halt trading in the securities and will initiate delisting proceedings pursuant to IEX Rule Series 14.500.

*• • • **Supplementary Material** • • •*

.01 Registered Market Maker in Linked Securities Supplemental

(a) The registered Market Maker in Linked Securities must file with IEX, in a manner prescribed by IEX, 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 IEX as required by this IEX Rule.

(b) In addition to the existing obligations under IEX rules regarding the production of books and records (e.g., IEX Rule 4.550), the registered Market Maker in Linked Securities shall make available to IEX 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 IEX.

(Amended by SR-IEX-2017-14 eff. June 12, 2017).

Rule 16.111. 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 IEX pursuant to Rule 19b-4(e) under the Act, provided:

(1) Both the issue and the issuer of such security initially meet and continuously maintain the requirements of IEX Rule 16.130, 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.

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

(3) 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 annual income from continuing operations before income taxes substantially exceeding $1,000,000 in the most recently completed fiscal year or in two of the three most recently completed fiscal years. In the alternative, the issuer will be expected: (A) to have a minimum tangible net worth of $150,000,000 and annual income from continuing operations before income taxes substantially exceeding $1,000,000 in the most recently completed fiscal year or in two of the three most recently completed fiscal

years; 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.

(4) 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 IEX under rules adopted pursuant to Rule 19b-4(e); or (B) indices which the issuer has created and for which IEX will have obtained approval from either the Commission pursuant to Section 19(b) and rules thereunder or from IEX under IEX 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 NASDAQ Options Market ("NOM") Rules, Chapter XIV, Section 6(b) and (c), or

(B) the criteria set forth in IEX Rules 16.115(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).

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

(6) 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, IEX may halt trading in the securities and will initiate delisting proceedings pursuant to IEX Rule Series 14.500.

(a) The Intraday Indicative Value of the subject Index-Linked Exchangeable Notes must be calculated and widely disseminated by IEX or one or more major market data vendors on at least a 15- second basis during the Regular Market Session (as defined in IEX Rule 1.160(gg)). For purposes of this IEX 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, IEX may halt trading in the securities and will initiate delisting proceedings pursuant to the Rule Series 14.500.

(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, IEX may halt trading in the securities and will initiate delisting proceedings pursuant to the Rule Series 14.500.

(c) Beginning twelve months after the initial issuance of a series of index-linked exchangeable notes, IEX will consider the suspension of trading in, and will initiate delisting proceedings under IEX Rule Series 14.500 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;

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

(d) If IEX 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 values, or (c) the applicability of IEX 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 IEX makes further dealings on IEX inadvisable.

(b) Equity Gold Shares

(1) 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 IEX Rule 16.105, all other rules that reference "Index Fund Shares" shall also apply to Equity Gold Shares.

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

(3) The provisions set forth in IEX Rule 16.111(d) shall also apply to Equity Gold Shares.

(c) Trust Certificates

IEX 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.

(1) 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.

(2) IEX 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 IEX listing rules specified in such proposals shall constitute continued listing standards.

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.01 Continued Listing.

IEX will commence delisting proceedings under the IEX Rule Series 14.500 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 IEX (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 IEX System 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 IEX 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 IEX makes further dealings on IEX 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 IEX.

.04 Voting.

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

.05 Surveillance Procedures.

IEX will implement and maintain written surveillance procedures for Trust Certificates.

.06 Equity Trading Rules.

The Trust Certificates will be subject to IEX's equity trading rules.

.07 Information Circular.

Prior to the commencement of trading of a particular Trust Certificate listing pursuant to this IEX Rule, IEX 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 Exchanging Trust Certificates.

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 the rules of FINRA or a national securities exchange in order to exercise such rights.

.09 Trust Certificates Payments.

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

(1) IEX will consider for trading, whether by listing or pursuant to unlisted trading privileges, Commodity-Based Trust Shares that meet the criteria of this IEX Rule.

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

(3) IEX will file separate proposals under Section 19(b) of the Act before listing Commodity-Based Trust Shares. 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 IEX listing rules specified in such proposals shall constitute continued listing standards.

(4) Definitions. The following terms as used in the Rules 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 (1) that is issued by a trust ("Trust") that holds a specified commodity deposited with the Trust; (2) that is issued by such Trust in a specified aggregate minimum number in return for a deposit of a quantity of the

underlying commodity; and (3) that, 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 the quantity of the underlying commodity.

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

(5) Designation of an Underlying Commodity. IEX may trade, either by listing or pursuant to unlisted trading privileges, Commodity-Based Trust Shares based on an underlying commodity. Each issue of a Commodity-Based Trust Share shall be designated as a separate series and shall be identified by a unique symbol.

(6) Initial and Continued Listing. Commodity-Based Trust Shares will be listed and traded on IEX subject to application of the following criteria:

(A) Initial Listing—IEX will establish a minimum number of Commodity-Based Trust Shares required to be outstanding at the time of commencement of trading on IEX.

(B) Continued Listing—IEX will consider the suspension of trading in, and will initiate delisting proceedings under IEX Rule Series 14.500 of, such series under any of the following circumstances:

(i) if following the initial 12 month period following commencement of trading on IEX:

(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) the Trust has fewer than 50,000 receipts issued and outstanding; or

(c) the market value of all receipts issued and outstanding is less than $1,000,000;

(ii) if an interruption to the dissemination of the value of the underlying commodity 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 IEX or one or more major market data vendors during the Regular Market Session (as defined in IEX Rule 1.160(gg)).

(iii) 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; or

(iv) if a 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 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 IEX listing rules specified in such proposals;

(v) if any 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 IEX makes further dealings on IEX inadvisable.

Upon termination of a Trust, IEX requires that Commodity-Based Trust Shares issued in connection with such entity Trust be removed from IEX 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:

(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 IEX.

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

(7) Limitation of IEX Liability. Neither IEX nor any agent of IEX 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 IEX, or any agent of IEX, or any act, condition or cause beyond the reasonable control of IEX, 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.

(8) Market Maker Accounts. A registered Market Maker in Commodity- Based Trust Shares must file with IEX in a manner prescribed by IEX 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 IEX as required by this IEX Rule.

In addition to the existing obligations under IEX rules regarding the production of books and records (see, e.g., IEX Rule 4.550), the registered Market Maker in Commodity-Based Trust Shares shall make available to IEX 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 IEX.

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.01 A Commodity-Based Trust Share is a Trust Issued Receipt that holds a specified commodity deposited with the Trust.

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

.03 Transactions in Commodity-Based Trust Shares will occur during the system hours specified in IEX Rule 11.110.

(e) Currency Trust Shares

(1) IEX will consider for listing and trading Currency Trust Shares that meet the criteria of this IEX Rule.

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

(3) 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.

(4) Designation of Non-U.S. Currency. IEX 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.

(5) IEX 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 IEX listing rules specified in such proposals shall constitute continued listing standards.

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

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

(B) Continued Listing. IEX will consider the suspension of trading in and will initiate delisting proceedings under the IEX Rule Series 14.500 of such series under any of the following circumstances:

(i) if following the initial 12 month period following commencement of trading on IEX:

(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) the Trust has fewer than 50,000 Currency Trust Shares issued and outstanding; or

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

(ii) 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 IEX or one or more major market data vendors during the Regular Market Session (as defined in IEX Rule 1.160(gg));

(iii) 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;

(iv) if IEX 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 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 IEX listing rules specified in such proposals are not satisfied on a continued listing basis;

(v) (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 IEX makes further dealings on IEX inadvisable.

Upon termination of a Trust, IEX requires that Currency Trust Shares issued in connection with such entity Trust be removed from IEX 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:

(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 IEX.

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

(7) Limitation of IEX Liability. Neither IEX nor any agent of IEX 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 IEX, or any agent of IEX, or any act, condition or cause beyond the reasonable control of IEX, 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.

(8) Market Maker Accounts. A registered Market Maker in Currency Trust Shares must file with IEX, in a manner prescribed by IEX, 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 IEX as required by this IEX Rule.

In addition to the existing obligations under IEX rules regarding the production of books and records (see e.g., IEX Rule 4.550), a registered Market Maker in Currency Trust Shares shall make available to IEX 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 IEX.

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.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 IEX 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 system hours specified in IEX Rule 11.110.

.04 IEX 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 IEX 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, IEX may halt trading in the securities and will initiate delisting proceedings pursuant to IEX Rule Series 14.500.*

(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 IEX or one or more major market data vendors on at least a 15-second basis during the Regular Market Session; and*

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

.05 Currency Trust Share Supplemental.

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 "firewall" 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 IEX'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, IEX may halt trading during the day on which such interruption first occurs. If such interruption persists past the trading day in which it occurred, IEX will halt trading no later than the beginning of the trading day following the interruption. If IEX 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

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

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

(3) IEX 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 IEX listing rules specified in such proposals shall constitute continued listing standards.

(4) 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.

(5) Designation. IEX 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.

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

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

(B) Continued Listing. IEX will consider the suspension of trading in, and will initiate delisting proceedings under the IEX Rule Series 14.500 of, a series of Commodity Index Trust Shares under any of the following circumstances:

(i) 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;

(ii) 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;

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

(iv) 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;

(v) 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 IEX listing rules specified in such proposals;

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

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

Upon termination of a Trust, IEX requires that Commodity Index Trust Shares issued in connection with such entity Trust be removed from IEX 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:

(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 IEX.

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

(7) Limitation of IEX Liability. Neither IEX nor any agent of IEX 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 IEX, or any agent of IEX, or any act, condition or cause beyond the reasonable control of IEX 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.

(8) Market Maker Accounts. A registered Market Maker in Commodity Index Trust Shares must file with IEX in a manner prescribed by IEX 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 IEX as required by this IEX Rule.

In addition to the existing obligations under IEX rules regarding the production of books and records, (see, e.g., IEX Rule 4.550), a registered Market Maker in Commodity Index Trust Shares shall make available to IEX 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 IEX.

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.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 IEX 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 system hours specified in IEX Rule 11.110.

(g) Commodity Futures Trust Shares

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

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

(3) 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.

(4) Designation of an Underlying Commodity Futures Contract. IEX 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.

(5) IEX 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 IEX listing rules specified in such proposals shall constitute continued listing standards.

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

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

(B) Continued Listing. IEX will consider the suspension of trading, and will initiate delisting proceedings under the IEX Rule Series 14.500 of, a series of Commodity Futures Trust Shares under any of the following circumstances:

(i) 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;

(ii) 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 Regular Market Session from a source unaffiliated with the sponsor, the Trust or the trustee of the Trust;

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

(iv) 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 Regular Market Session;

(v) 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 IEX listing rules specified in such proposals;

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

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

Upon termination of a Trust, IEX requires that Commodity Futures Trust Shares issued in connection with such trust be removed from IEX 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:

(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 IEX.

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

(7) Market Maker Accounts.

(A) A registered Market Maker in Commodity Futures Trust Shares must file with IEX, in a manner prescribed by IEX, 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 IEX as required by this IEX Rule.

(B) In addition to the existing obligations under IEX rules regarding the production of books and records (see, e.g., IEX Rule 4.550), the registered Market Maker in Commodity Futures Trust Shares shall make available to IEX 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 IEX.

(8) Limitation of IEX Liability. Neither IEX nor any agent of IEX 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 IEX, or any agent of IEX, or any act, condition or cause beyond the reasonable control of IEX 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.

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.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 system hours specified in IEX Rule 11.110.

.03 If the Intraday Indicative Value or the value of the underlying futures contract is not being disseminated as required, IEX 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, IEX will halt trading no later than the beginning of the trading day following the interruption.

In addition, if IEX 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 IEX's rules governing the trading of equity securities apply.

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

(h) Partnership Units

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

(2) 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 IEX 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.

(3) Designation. IEX 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.

(4) IEX 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 IEX listing rules specified in such proposals shall constitute continued listing standards.

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

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

(B) Continued Listing. IEX will consider the suspension of trading in and will initiate delisting proceedings under IEX Rule Series 14.500 of Partnership Units under any of the following circumstances:

(i) 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;

(ii) 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 IEX or one or more major market data vendors during the Regular Market Session.

(iii) 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;

(iv) 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 IEX 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 IEX makes further dealings on IEX inadvisable.

Upon termination of a partnership, IEX requires that Partnership Units issued in connection with such partnership be removed from IEX 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:

(i) 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.

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

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

(6) Market Maker Accounts.

(A) A registered Market Maker in Partnership Units must file with IEX, in a manner prescribed by IEX, 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 IEX as required by this IEX Rule.

(B) In addition to the existing obligations under IEX rules regarding the production of books and records (see, e.g., IEX Rule 4.550), a registered Market Maker in Partnership Units shall make available to IEX 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 IEX.

(7) Limitation of IEX Liability. Neither IEX nor any agent of IEX 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 IEX or any agent of IEX, or any act, condition or cause beyond the reasonable control of IEX 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.

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.01 IEX requires that Members provide to all purchasers of newly issued Partnership Units a prospectus for the series of Partnership Units.

(i) Trust Units

(1) Applicability. The provisions in this IEX Rule are applicable only to Trust Units. In addition, except to the extent inconsistent with this IEX Rule, or unless the context otherwise requires, the rules and procedures of the Board of Directors shall be applicable to the trading on IEX 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 IEX.

(2) IEX 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 assets or intraday indicative values; or (d) the applicability of IEX listing rules specified in such proposals shall constitute continued listing standards.

(3) Definitions. The following terms as used in this IEX 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 IEX 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.

(4) Designation. IEX 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.

(5) Initial and Continued Listing. Trust Units will be listed and/or traded on IEX subject to application of the following criteria:

(A) Initial Listing.

(i) IEX will establish a minimum number of Trust Units required to be outstanding at the time of commencement of trading on IEX.

(ii) IEX 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.

(i) IEX will consider the suspension of trading in and will initiate delisting proceedings under IEX Rule Series 14.500 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;

(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 assets or intraday indicative values; or (d) the applicability of IEX 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 IEX makes further dealings on IEX inadvisable.

(ii) IEX will halt trading in a series of Trust Units if the circuit breaker parameters in IEX Rule 11.280 have been reached. In exercising its discretion to halt or suspend trading in a series of Trust Units, IEX may consider any relevant factors. In particular, if the portfolio and net asset value per share are not being disseminated as required, IEX 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, IEX will halt trading no later than the beginning of the trading day following the interruption.

Upon termination of a trust, IEX requires that Trust Units issued in connection with such trust be removed from IEX 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:

(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 IEX.

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

(6) Limitation of IEX Liability. Neither IEX nor any agent of IEX 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 IEX or any agent of IEX, or any act, condition or cause beyond the reasonable control of IEX 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.

(7) Market Maker Accounts. A registered Market Maker in Trust Units must file with IEX, in a manner prescribed by IEX, 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 IEX as required by this IEX Rule.

In addition to the existing obligations under IEX rules regarding the production of books and records (see, e.g., IEX Rule 4.550), a registered Market Maker in Trust Units shall make available to IEX 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 IEX .

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.01 IEX 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 system hours specified in IEX Rule 11.110.

(j) Managed Trust Securities

(1) IEX will consider for trading, whether by listing or pursuant to unlisted trading privileges, Managed Trust Securities that meet the criteria of this IEX Rule.

(2) Applicability. This IEX 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 Operating Agreement and Rules of IEX.

(3) IEX 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 assets or intraday indicative values; or (d) the applicability of IEX listing rules specified in such proposals shall constitute continued listing standards.

(4) 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 IEX, an institution, or a reporting or information service designated by IEX or by the

Trust or the exchange that lists a particular series of Managed Trust Securities (if IEX 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.

(5) Designation. IEX 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.

(6) Initial and Continued Listing. Managed Trust Securities will be listed and traded on IEX subject to application of the following criteria:

(A) Initial Listing. Each series of Managed Trust Securities will be listed and traded on IEX subject to application of the following initial listing criteria:

(i) IEX will establish a minimum number of Managed Trust Securities required to be outstanding at the time of commencement of trading on IEX.

(ii) IEX 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 IEX subject to application of the following continued listing criteria:

(i) 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 IEX.

(ii) 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.

(iii) 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 assets or intraday indicative values; or (d) the applicability of IEX listing rules specified in such proposals.

(iv) Suspension of trading or removal. IEX will consider the suspension of trading in, and will initiate delisting proceedings under the IEX Rule Series 14.500 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 IEX 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 IEX makes further dealings on IEX inadvisable.

(v) Trading Halts. If the Intraday Indicative Value of a series of Managed Trust Securities is not being disseminated as required, IEX 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, IEX 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 IEX pursuant to unlisted trading privileges, IEX will halt trading in that series as specified in IEX Rule 11.280, IEX Rule 16.170 or Supplementary Material .01(c) to IEX Rule 14.207, as applicable. In addition, if IEX 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.

(vi) Upon termination of a Trust, IEX requires that Managed Trust Securities issued in connection with such Trust be removed from IEX 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:

(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 IEX.

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

(7) Market Maker Accounts.

(A) A registered Market Maker in Managed Trust Securities must file with IEX, in a manner prescribed by IEX, 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 IEX as required by this IEX Rule.

(B) In addition to the existing obligations under IEX rules regarding the production of books and records, (see, e.g., IEX Rule 4.550) a registered Market Maker in Managed Trust Securities shall make available to IEX 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 IEX.

(8) Limitation of IEX Liability. Neither IEX, the Reporting Authority nor any agent of IEX 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 IEX, or the Reporting Authority, or any agent of IEX, or any act, condition or cause beyond the reasonable control of IEX 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.

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.01 IEX 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 system hours specified in IEX Rule 11.110.

.03 IEX's rules governing the trading of equity securities apply.

.04 IEX 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 "firewall" 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.

(Amended by SR-IEX-2017-14 eff. June 12, 2017).

Rule 16.112. Reserved.

Rule 16.113. Paired Class Shares

(a) IEX will consider for trading, whether by listing or pursuant to unlisted trading privileges, Paired Class Shares that meet the criteria of this IEX Rule.

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

(c) IEX will file separate proposals under Section 19(b) of the Act before listing and trading Paired Class Shares. In addition, prior to a substitute or replacement Underlying Benchmark being selected for the Fund, IEX 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 IEX 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 IEX Rule 16.113(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. IEX 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 IEX subject to application of the following criteria:

(1) Initial Listing

(A) IEX will establish a minimum number of Paired Class Shares for each Fund required to be outstanding at the time of commencement of trading on IEX;

(B) IEX 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.

(2) Continued Listing—IEX will consider the suspension of trading in and will initiate delisting proceedings under IEX Rule Series 14.500 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

Regular Market Session from a source unaffiliated with the sponsor, the custodian, the trustee of the Trust, the Fund or IEX 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 Regular Market Session;

(E) if the "firewall" 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 IEX 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 IEX makes further dealings on IEX inadvisable.

(3) 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.

(4) 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 IEX.

(5) Voting. Voting rights, if any, shall be as set forth in the applicable Fund prospectus.

(h) Limitation of IEX Liability. Neither IEX nor any agent of IEX 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 IEX, or any agent of IEX, or any act, condition or cause beyond the reasonable control of IEX 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.

(1) A registered Market Maker in Paired Class Shares must file with IEX in a manner prescribed by IEX 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 IEX as required by this IEX Rule.

(2) In addition to the existing obligations under IEX rules regarding the production of books and records, (see e.g., IEX Rule 4.550), a registered Market Maker in Paired Class Shares shall make available to IEX 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 IEX.

• • • Supplementary Material • • •

.01 IEX 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 system hours specified in IEX Rule 11.110.

.03 IEX will implement and maintain written surveillance procedures for trading the Paired Class Shares.

Rule 16.115. 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) IEX 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 IEX 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, IEX may halt trading in the securities and will initiate delisting proceedings pursuant to IEX Rule Series 14.500.

IEX will consider listing Selected 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, IEX may halt trading in the SEEDS and will initiate delisting proceedings pursuant to IEX Rule Series 14.500.

(A) The issuer of a SEEDS must be an entity that:

(i) is listed on the NASDAQ Global Market, NASDAQ Global Select or the New York Stock Exchange (NYSE) or is an affiliate of a Company listed on the NASDAQ Global Market, NASDAQ Global Select or the NYSE; provided, however, that the provisions of IEX Rule 16.130(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 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, IEX may halt trading in the securities and will initiate delisting proceedings pursuant to IEX Rule Series 14.500.

(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 (1) 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 IEX, 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. IEX 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 IEX 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.

4. 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 (2) 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 (3) 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 (5) 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 IEX, 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.

(D) Prior to the commencement of trading of a particular SEEDS listed pursuant to this subsection, IEX or its subsidiaries will distribute a circular to the membership providing guidance regarding IEX member firm compliance responsibilities (including suitability recommendations and account approval) when handling transactions in SEEDS.

(3) Rule Proposal Representations. SEEDS 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 assets; (b) the 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 IEX listing rules specified in such proposals.

(Amended by SR-IEX-2017-14 eff. June 12, 2017).

Rule 16.120. 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) IEX 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 IEX listing rules specified in such proposals shall constitute continued listing standards.

(c) Listing Requirements

(1) IEX 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 IEX 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) IEX 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 IEX or its agent, a wholly-owned subsidiary of IEX, 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 IEX subject to application of the following criteria:

(A) Initial Listing — for each Trust, IEX will establish a minimum number of Trust Issued Receipts required to be outstanding at the time of the commencement of trading on IEX.

(B) Continued Listing. IEX will consider the suspension of trading in, and will initiate delisting proceedings under IEX Rule Series 14.500 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 IEX, 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 IEX, 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 IEX, 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 IEX 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 19b-4(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 IEX, makes further dealings on IEX inadvisable.

Upon termination of a Trust, IEX 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 IEX.

(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 of 100 receipts or round lot multiples.

(7) IEX may approve a series of Trust Issued Receipts for listing and trading on IEX 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 IEX 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.

(Amended by SR-IEX-2017-14 eff. June 12, 2017).

Rule 16.125. 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) IEX 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 IEX 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, IEX will consider the suspension of trading in, and will initiate delisting proceedings under IEX Rule Series 14.500 of, the series of Index Warrants.

(1) An Index Warrant may be listed 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, IEX 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 IEX 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 IEX (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 IEX 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 IEX 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 IEX 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 a 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; (d) dissemination and availability of the index, reference asset, or intraday indicative values; or (e) the applicability of IEX listing rules specified in such proposals.

Any Index Warrant listed pursuant to this paragraph shall not be required to meet the requirements of IEX Rule 14.203(h), 14.203(a), or 14.320. IEX may apply additional or more stringent criteria as necessary to protect investors and the public interest.

(Amended by SR-IEX-2017-14 eff. June 12, 2017).

Rule 16.127. Trading in Commodity-Related Securities

(a) IEX will consider for trading pursuant to unlisted trading privileges, a Commodity-Related Security that meets the criteria of this IEX Rule. Unless otherwise noted, a Commodity-Related Security approved for trading under this IEX Rule is eligible for trading during all IEX market sessions if members comply with IEX Rule 3.290 when accepting Commodity-Related Security orders for execution in the Pre-Market Session or Post-Market Session.

(b) Applicability. This IEX Rule is applicable only to Commodity-Related Securities. Except to the extent inconsistent with this IEX Rule, or unless the context otherwise requires, the provisions of all other IEX Rules shall be applicable to the trading on IEX of such securities. Commodity-Related Securities are included within the definition of "security" or "securities" as such terms are used in the IEX Rules.

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

(1) Commodity-Related Security. The term "Commodity-Related Security" means a security that is issued by a trust, partnership, commodity pool or similar entity that invests, directly or through another entity, in any combination of commodities, futures contracts, options on futures contracts, forward contracts, commodity swaps, or other related derivatives, or the value of which is determined by the value of commodities, futures contracts, options on futures contracts, forward contracts, commodity swaps, or other related derivatives.

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

(d) Information Barriers. A member acting as a registered market maker in a Commodity-Related Security is obligated to establish adequate information barriers when such market maker engages in inter-departmental communications. Members should refer to NASD/NYSE Joint Memo on Chinese Wall Policies and Procedures (NASD Notice to Members 91-45) for guidance on the "`minimum elements' of adequate Chinese Wall policy and procedures." For purposes of a Commodity-Related Security only, "inter-departmental communications" shall include communications to other departments within the same firm or the firm's affiliates that involve trading in commodities, futures contracts, options on futures contracts, forward contracts, commodity swaps, or other related derivatives underlying such Commodity-Related Security

(e) Market Maker Accounts. A member acting as a registered market maker in a Commodity-Related Security must file with IEX Regulation in a manner prescribed by IEX Regulation and keep current a list identifying all accounts for trading in commodities, futures contracts, options on futures contracts, forward contracts, commodity swaps, or other related derivatives underlying such Commodity- Related Security, in which the market maker holds an interest, over which it may exercise investment discretion, or in which it shares in the profits and losses. No market maker shall trade in, or exercise investment discretion with respect to, such underlying commodities, futures contracts, options on futures contracts, forward contracts, commodity swaps, or other related derivatives, in an account in which a market maker, directly or indirectly, controls trading activities, or has an interest in the profits or losses thereof, that has not been reported as required by this IEX Rule.

(f) The member acting as a registered market maker in a Commodity-Related Security shall make available to IEX Regulation 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 commodities, futures contracts, options on futures contracts, forward contracts, commodity swaps, or other related derivatives underlying such Commodity-Related Security, as may be requested by IEX Regulation.

(g) In connection with trading a Commodity-Related Security or commodities, futures contracts, options on futures contracts, forward contracts, commodity swaps, or other related derivatives underlying a Commodity-Related Security, the member acting as a market maker in a Commodity-Related Security shall not use any material nonpublic information received from any person associated with the member or employee of such person regarding trading by such person or employee in the commodities, futures contracts, options on futures contracts, forward contracts, commodity swaps, or other related derivatives underlying such Commodity- Related Security.

(h) IEX requires that members provide all purchasers of a newly issued Commodity-Related Security a prospectus for such Commodity-Related Security.

Rule 16.130. Listing Requirements for Securities Not Otherwise Specified (Other Securities)

(a) Initial Listing Requirements

(1) IEX will consider listing any security not otherwise covered by the criteria in the Chapter 14 or 16 Series, provided the instrument is otherwise suited to trade through the facilities of IEX. 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 IEX Rule 14.310(c)(1), IEX 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 IEX Rule 16.130 must be listed on 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 NASDAQ Global Market, NASDAQ Global Select Market or the NYSE; provided, however, that the provisions of IEX Rule 14.320 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, IEX will evaluate the nature and complexity of the issue and, if appropriate, distribute a circular to the membership providing guidance regarding IEX 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.

Rule 16.135. Managed Fund Shares

(a) IEX will consider listing Managed Fund Shares that meet the criteria of IEX Rule 16.135.

(b) Applicability. IEX Rule 16.135 is applicable only to Managed Fund Shares. Except to the extent inconsistent with IEX Rule 16.135, or unless the context otherwise requires, the rules and procedures of the Board of Directors shall be applicable to the trading on IEX of such securities. Managed Fund Shares are included within the definition of "security" or "securities" as such terms are used in the Rules of IEX.

(1) IEX may approve Managed Fund Shares for listing and/or trading (including pursuant to unlisted trading privileges) pursuant to Rule 19b-4(e) under the Exchange Act. Components of a series of Managed Fund Shares listed pursuant to Rule 19b-4(e) shall satisfy the criteria set forth in this IEX Rule 16.135 upon initial listing and on a continual basis. IEX will file separate proposals under Section 19(b) of the Exchange Act before the listing and trading of a series of Managed Fund Shares with components that do not satisfy the criteria set forth in this IEX Rule 16.135(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 IEX rules and surveillance procedures shall constitute continued listing standards.

(A) Equity – Equity securities include the following: U.S. Component Stocks (as defined in Rule 16.105); Non-U.S. Component Stocks (as defined in Rule 16.105); Exchange Traded Derivative Securities (as defined in Rule 16.135(c)(6)); and Linked Securities (as defined in Rule 16.110). 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 16.105, 16.110, and 16.135(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 16.135(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 16.135(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 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 16.135(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 fixed income portion 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 16.135(b)(1)(A) and 16.135(b)(1)(B), respectively.

(2) Transactions in Managed Fund Shares will occur throughout IEX's system hours.

(3) Minimum Price Variant. The minimum price variant for quoting and entry of orders in Managed Fund Shares is $0.01.

(4) Surveillance Procedures. IEX 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) 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.

(4) Reporting Authority. The term "Reporting Authority" in respect of a particular series of Managed Fund Shares means IEX, an institution, or a reporting service designated by IEX or by the exchange that lists a particular series of Managed Fund Shares (if IEX 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.

(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 IEX Rules 16.105(a) (Portfolio Depository Receipts); 16.105(b) (Index Fund Shares); 16.120 (Trust Issued Receipts); 16.111(d) (Commodity-Based Trust Shares); 16.111(e) (Currency Trust Shares); 16.111(f) (Commodity Index Trust Shares); 16.111(g) (Commodity Futures Trust Shares); 16.111(h) (Partnership Units); 16.111(i) (Trust Units); 16.135 (Managed Fund Shares); and 16.111(j) (Managed Trust Securities).

(d) Initial and Continued Listing. Managed Fund Shares will be listed and traded on IEX subject to application of the following criteria:

(1) Initial Listing. Each series of Managed Fund Shares will be listed and traded on IEX subject to application of the following initial listing criteria:

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

(B) IEX 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 IEX subject to application of the following continued listing criteria:

(A) 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 Regular Market Session (as defined in IEX Rule 1.160).

(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. IEX will consider the suspension of trading and will initiate delisting proceedings under the IEX Rule Series 14.500 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 IEX of a series of Managed Fund Shares, there are fewer than 50 beneficial holders of the series of Managed Fund Shares;

(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 is no longer calculated or available or 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 IEX 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 IEX rules and surveillance procedures;

(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 IEX, makes further dealings on IEX inadvisable.

(D) Trading Halt. If the Intraday Indicative Value of a series of Managed Fund Shares is not being disseminated as required, IEX 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, IEX will halt trading no later than the beginning of the trading day following the interruption. In addition, if IEX 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, IEX requires that Managed Fund Shares issued in connection with such entity be removed from listing on IEX.

(F) Voting. Voting rights shall be as set forth in the applicable Investment Company prospectus.

(e) Limitation of Liability. Neither IEX, the Reporting Authority, nor any agent of IEX 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 IEX, the Reporting Authority or any agent of IEX, or any act, condition, or cause beyond the reasonable control of IEX, 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. IEX 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.

IEX 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 IEX 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.

(Amended by SR-IEX-2017-03 eff. April 27, 2017; amended by SR-IEX-2017-23 eff. July 14, 2017).

Rule 16.160. Derivative Securities Traded under Unlisted Trading Privileges

IEX 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 IEX trading rules applicable to NMS Stocks, unless otherwise noted, including provisions of IEX Rule 11.280, Chapter 14, and Chapter 16.

(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. IEX 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 IEX that will apply to the new derivative securities product, including Rule 3.170; (c) information about the dissemination of the value of the underlying assets or indexes; and (d) the applicable system 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 IEX Rule 16.105(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.

IEX shall inform Members of the application of the provisions of this subparagraph to UTP Derivative Securities by means of an information circular. IEX 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 IEX 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 IEX 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 IEX Rule 11.280, IEX Rule 16.170, or Supplementary Material .01(c) to IEX Rule 14.207.

(4) Limitations on Market Makers. Market makers in a UTP Derivative Security that is a Commodity-Related Security (as defined in IEX Rule 16.127) shall comply with IEX Rule 16.127.

(5) Surveillance. IEX 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.

(Amended by SR-IEX-2018-14 eff. June 26, 2018).

Rule 16.170. Trading Halts for Trading of Certain Derivative Securities Products on IEX Pursuant to Unlisted Trading Privileges

(a) During Pre-Market Session. If a Derivative Securities Product begins trading on IEX in the Pre-Market Session and subsequently a temporary interruption occurs in the calculation or wide dissemination of an applicable Required Value, IEX may continue to trade the Derivative Securities Product for the remainder of the Pre-Market Session.

(b) During Regular Market Hours. During the Regular Market Hours, if a temporary interruption occurs in the calculation or wide dissemination of an applicable Required Value, and the listing market halts trading in the Derivative Securities Product, IEX, upon notification by the listing market of a halt due to such temporary interruption, also shall immediately halt trading in the Derivative Securities Product on IEX.

(c) Post-Market Session and Next Trading Day.

(1) If an applicable Required Value continues not to be calculated or widely disseminated after the close of the Regular Market Session, IEX may trade the Derivative Securities Product in the Post-Market Session only if the listing market traded the Derivative Securities Product until the close of its regular trading session without a halt.

(2) If an applicable Required Value continues not to be calculated or widely disseminated as of the beginning of the Pre-Market Session on the next trading day, IEX shall not commence trading of the Derivative Securities Product in the Pre-Market Session that day. If an interruption in the calculation or wide dissemination of an

applicable Required Value continues, IEX may resume trading in the Derivative Securities Product only if calculation and wide dissemination of the applicable Required Value resumes or trading in the Derivative Securities Product resumes in the listing market.

(d) Definitions. For purposes of this IEX Rule:

(1) Derivative Securities Product means a series of Portfolio Depository Receipts, Index Fund Shares, Managed Fund Shares, or Trust Issued Receipts (as defined in IEX Rules 16.105, 16.135, and 16.120, respectively), a series of Commodity-Related Securities (as defined in IEX Rule 16.127), 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, or Managed Trust Securities (as defined in IEX Rule 16.111(a) - (j)), or any other UTP Derivative Security (as defined in IEX Rule 16.160).

(2) Required Value shall mean (i) the value of any index or any commodity-related value underlying a Derivative Securities Product, (ii) the indicative optimized portfolio value, intraday indicative value, or other comparable estimate of the value of a share of a Derivative Securities Product updated regularly during the trading day, (iii) a net asset value in the case of a Derivative Securities Product for which a net asset value is disseminated, and (iv) a Disclosed Portfolio in the case of a Derivative Securities Product that is a series of Managed Fund Shares, as defined in IEX Rule 16.135, or Managed Trust Securities, as defined in IEX Rule 16.111(j).