

Trader Update

Date: July 14, 2010

Audience: NYSE Arca Equities Traders

Subject: NYSE Arca Introduces New Price Collar to Safeguard Market Orders-Effective July 15, 2010

Highlights:

NYSE Arca has been approved with the Securities and Exchange Commission to introduce a new price collar designed to safeguard the execution of market orders. The new price collar is the latest in a series of steps implemented to improve market practices and structure.

Summary:

The new collar will prevent market orders to buy stock from executing or routing to another trading venue at a price above the collar. Conversely, market orders to sell will not execute or route at a price below the trading collar. The collar for securities priced \$25 or less will be 10 percent above or below the last trade price; for securities priced above \$25 up to and including \$50, the collar will be 5 percent; and for securities priced above \$50, the collar will be 3 percent. These percentages are based upon the numerical guidelines for clearly erroneous executions under NYSE Arca Equities Rule 7.10. These trading collars will help prevent erroneous trades from inadvertently triggering the individual-stock circuit breakers introduced last month, and are consistent with those in the newly implemented rules concerning the cancellation of erroneous trades.

Exchange systems will hold a buy (sell) market order(s) or portions thereof that would execute above (below) the price collar until additional opportunities for execution consistent with the price collar restriction become available.

Multiple market orders that become restricted by the Trading Collar will be ranked in time priority. Any market order that becomes restricted by the Trading Collar will not be displayed.

Trading Collar Calculation Table

Consolidated Last Sale Price	Collar Price Percentage Deviation
\$25.00 or less	10%
Above \$25.00 to (and including) \$50.00	5%
Above \$50.00	3%

Contact Info:

If you have further questions please contact the NYSE Arca Trade Support Desk at (888)513-9873 or Paul Adcock at padcock@nyx.com.

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