

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * 69	SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549 Form 19b-4		File No.* SR - 2016 - * 063	Amendment No. (req. for Amendments *)
Filing by NASDAQ BX, Inc. Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934				
Initial * <input checked="" type="checkbox"/>	Amendment * <input type="checkbox"/>	Withdrawal <input type="checkbox"/>	Section 19(b)(2) * <input checked="" type="checkbox"/>	Section 19(b)(3)(A) * <input type="checkbox"/>
			Section 19(b)(3)(B) * <input type="checkbox"/>	
Pilot <input type="checkbox"/>	Extension of Time Period for Commission Action * <input type="checkbox"/>	Date Expires * <input type="text"/>	Rule <input type="checkbox"/> 19b-4(f)(1) <input type="checkbox"/> 19b-4(f)(4) <input type="checkbox"/> 19b-4(f)(2) <input type="checkbox"/> 19b-4(f)(5) <input type="checkbox"/> 19b-4(f)(3) <input type="checkbox"/> 19b-4(f)(6)	
Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010 Section 806(e)(1) * <input type="checkbox"/>			Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934 Section 3C(b)(2) * <input type="checkbox"/>	
Exhibit 2 Sent As Paper Document <input type="checkbox"/>		Exhibit 3 Sent As Paper Document <input type="checkbox"/>		
Description Provide a brief description of the action (limit 250 characters, required when Initial is checked *). A proposal to amend BX rules at Chapter VI, Section 9, concerning a price-improvement mechanism known as PRISM.				
Contact Information Provide the name, telephone number, and e-mail address of the person on the staff of the self-regulatory organization prepared to respond to questions and comments on the action. First Name * Andrew Last Name * Madar Title * Senior Associate General Counsel E-mail * andrew.madar@nasdaq.com Telephone * (301) 978-8420 Fax (301) 978-8472				
Signature Pursuant to the requirements of the Securities Exchange Act of 1934, has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized. (Title *) Date 11/21/2016 Executive Vice President and General Counsel By Edward S. Knight (Name *) NOTE: Clicking the button at right will digitally sign and lock this form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed. edward.knight@nasdaq.com				

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

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

Form 19b-4 Information *

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The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

Exhibit 1 - Notice of Proposed Rule Change *

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The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

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

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The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change, security-based swap submission, or advance notice being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 2 - Notices, Written Comments, Transcripts, Other Communications

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Exhibit Sent As Paper Document

Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

Exhibit 3 - Form, Report, or Questionnaire

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Exhibit Sent As Paper Document

Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

Exhibit 4 - Marked Copies

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The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

Exhibit 5 - Proposed Rule Text

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The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change.

Partial Amendment

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If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

1. Text of the Proposed Rule Change

(a) NASDAQ BX, Inc. (“BX” or “Exchange”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b-4 thereunder,² is filing with the Securities and Exchange Commission (“SEC” or “Commission”) a proposal to amend BX rules at Chapter VI, Section 9, concerning a price-improvement mechanism known as “PRISM”. Certain aspects of PRISM are currently operating on a pilot basis (“Pilot”), which was approved by the Commission in 2015,³ and which is set to expire on January 18, 2017.⁴ The Pilot concerns (i) the early conclusion of the PRISM Auction (as described below); (ii) the provision that an unrelated market or marketable limit order (against the BX BBO) on the opposite side of the market from the PRISM Order received during the Auction will not cause the Auction to end early and will execute against interest outside of the Auction; and (iii) no minimum size requirement of orders. BX seeks to make the Pilot permanent, and also proposes to change the requirements for providing price improvement for PRISM Orders of less than 50 option contracts.

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

(b) Not applicable.

(c) Not applicable.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Securities Exchange Release No. 76301 (October 29, 2015), 80 FR 68347 (November 4, 2015) (SR-BX-2015-032) (“PRISM Approval Order”).

⁴ See Securities Exchange Act Release No. 78249 (July 7, 2016), 81 FR 45334 (July 13, 2016) (SR-BX-2016-038).

2. Procedures of the Self-Regulatory Organization

The proposed rule change was approved by the Board of Directors of the Exchange on November 5, 2016. No other action is necessary for the filing of the rule change.

Questions and comments on the proposed rule change may be directed to:

Andrew Madar
Senior Associate General Counsel
Nasdaq, Inc.
301-978-8420.

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

a. Purpose

The purpose of this proposed rule change is to make permanent certain pilots within Chapter VI, Section 9, entitled "Price Improvement Auction ("PRISM"). In addition, BX proposes to modify the requirements for PRISM auctions involving less than 50 contracts where the National Best Bid and Offer ("NBBO") is only \$0.01 wide.

Background

The Exchange adopted PRISM in November 2015 as a price-improvement mechanism on the Exchange.⁵ This mechanism permits a Participant (an "Initiating Participant") to electronically submit for execution an order it represents as agent on behalf of a Public Customer,⁶ Professional customer, broker dealer, or any other entity

⁵ See PRISM Approval Order, supra note 3.

⁶ A Public Customer order does not include a Professional order, and therefore a Professional would not be entitled to Public Customer priority as described herein. A Public Customer means a person that is not a broker or dealer in securities. See BX Options Rules at Chapter I, Section 1(a)(50). A Public Customer order does not include a Professional order for purposes of BX Rule at Chapter VI, Section 10(1)(C)(1)(a), which governs allocation priority. A

(“PRISM Order”) against principal interest or against any other order it represents as agent (an “Initiating Order”), provided it submits the PRISM Order for electronic execution into the PRISM Auction (“Auction”) pursuant to the Chapter VI, Section 9.⁷ All options traded on the Exchange are eligible for PRISM.

Pilot Program

Three components of PRISM were approved by the Commission on a pilot basis: (1) the early conclusion of the PRISM Auction;⁸ (2) the provision that an unrelated market or marketable limit order (against the BX BBO) on the opposite side of the market from the PRISM Order received during the Auction will not cause the Auction to end early and will execute against interest outside of the Auction;⁹ and (3) no minimum size requirement of orders. The provisions were approved for a pilot period that currently expires on January 18, 2017 (“Pilot”).¹⁰ The Exchange now seeks to have the Pilot approved on a permanent basis. In addition, the Exchange proposes to modify the scope of PRISM so that PRISM Orders for less than 50 option contracts will be required to receive price improvement of at least one minimum price improvement increment over the NBBO if the NBBO is only \$0.01 wide. For orders of 50 contracts or more, or if the

“Professional” means any person or entity that (i) is not a broker or dealer in securities, and (ii) places more than 390 orders in listed options per day on average during a calendar month for its own beneficial account(s). A Participant or a Public Customer may, without limitation, be a Professional. All Professional orders shall be appropriately marked by Participants. See BX Rules at Chapter I, Section 1(a)(49).

⁷ BX will only conduct an auction for Simple Orders.

⁸ See Chapter VI, Section 9(ii)(B)(4).

⁹ See Chapter VI, Section 9(ii)(D).

¹⁰ See PRISM Approval Order, supra note 3.

difference in the NBBO is greater than \$0.01, the requirements for price improvement remain the same.

During the pilot period the Exchange has been required to submit, and has been submitting, certain data periodically as required by the Commission, to provide supporting evidence that, among other things, there is meaningful competition for all size orders, there is significant price improvement available through PRISM, and that there is an active and liquid market functioning on the Exchange outside of the Auction mechanism. Specifically, the Exchange has submitted the following data as specified in its approval order:¹¹

- (1) The number of contracts (of orders of 50 contracts or greater) entered into the PRISM;
- (2) The number of contracts (of orders of fewer than 50 contracts) entered into the PRISM;
- (3) The number of orders of 50 contracts or greater entered into the PRISM; and
- (4) The number of orders of fewer than 50 contracts entered into the PRISM.

Price Improvement for Orders Under 50 Contracts

Currently, a PRISM Auction may be initiated if one of the following conditions are met. If the PRISM Order is for the account of a Public Customer, the Initiating Participant must stop the entire PRISM Order at a price that is equal to or better than the National Best Bid/Offer (“NBBO”) on the opposite side of the market from the PRISM Order, provided that such price must be at least one minimum trading increment specified in Chapter VI, Section 5 better than any limit order on the limit order book on the same side of the market as the PRISM Order.¹² If the PRISM Order is for the account of a

¹¹ Id.

¹² See Chapter VI, Section 9(i)(A).

broker dealer or any other person or entity that is not a Public Customer, the Initiating Participant must stop the entire PRISM Order at a price that is the better of: (i) the BX BBO price improved by at least the Minimum Increment on the same side of the market as the PRISM Order, or (ii) the PRISM Order's limit price (if the order is a limit order), provided in either case that such price is at or better than the NBBO.¹³

BX proposes to amend the PRISM auction to require at least \$0.01 price improvement for a PRISM Order if that order is for less than 50 contracts and if the difference between the NBBO is \$0.01. Accordingly, BX is proposing to amend the Auction Eligibility Requirements to require that, if the PRISM Order is for less than 50 option contracts, and if the difference between the NBBO is \$0.01, the Initiating Participant must stop the entire PRISM Order at one minimum price improvement increment better than the NBBO on the opposite side of the market from the PRISM Order, and better than any limit order on the limit order book on the same side of the market as the PRISM Order. This requirement will apply regardless of whether the PRISM Order is for the account of a Public Customer, or where the PRISM Order is for the account of a broker dealer or any other person or entity that is not a Public Customer.

The Exchange will retain the current requirements for auction eligibility where the PRISM Order is for the account of a Public Customer and such order is for 50 option contracts or more, or if the difference between the NBBO is greater than \$0.01. The Exchange will also retain the current requirements for auction eligibility where the PRISM Order is for the account of a broker dealer or any other person or entity that is not a Public Customer and such order is for 50 option contracts or more, or if the difference

¹³ See Chapter VI, Section 9(i)(B).

between the NBBO is greater than \$0.01. Accordingly, the Exchange is amending the Auction Eligibility Requirements to state that, if the PRISM Order is for the account of a Public Customer and such order is for 50 option contracts or more or if the difference between the NBBO is greater than \$0.01, the Initiating Participant must stop the entire PRISM Order at a price that is equal to or better than the National Best Bid/Offer (“NBBO”) on the opposite side of the market from the PRISM Order, provided that such price must be at least one minimum trading increment specified in Chapter VI, Section 5 (“Minimum Increment”) better than any limit order on the limit order book on the same side of the market as the PRISM Order.

Similarly, the Exchange is amending the Auction Eligibility Requirements to state that, if the PRISM Order is for the account of a broker dealer or any other person or entity that is not a Public Customer and such order is for 50 option contracts or more, or if the difference between the NBBO is greater than \$0.01, the Initiating Participant must stop the entire PRISM Order at a price that is the better of: (i) the BX BBO price improved by at least the Minimum Increment on the same side of the market as the PRISM Order, or (ii) the PRISM Order’s limit price (if the order is a limit order), provided in either case that such price is at or better than the NBBO.¹⁴

¹⁴ In implementing this change, the system will reject a simple PRISM Order to buy if the NBBO is only \$0.01 wide and the Agency order is stopped on the offer provided the order is not customer to customer. The system will reject a simple PRISM Order to sell if the NBBO is only \$0.01 wide and the Agency order is stopped on the bid provided the order is not customer to customer. The system will still allow a customer to customer PRISM Order to trade on either the bid or offer, if the NBBO is \$0.01 wide, provided (1) the execution price is equal to or within the NBBO; (2) there is no resting customer at the execution price, and (3) \$0.01 is the Minimum Price Variation (MPV) of the option. The system will continue to reject a simple PRISM Order to buy if the NBBO is only \$0.01 wide and the Agency order is stopped on the bid if there is a resting order on the bid.

The Exchange also proposes to add language to Chapter VI, Section 9(i) to clarify that, if any of the auction eligibility criteria are not met, the PRISM Order will be rejected. The Exchange will also add language to Chapter VI, Section 9(i) to clarify the treatment of paired Public Customer-to-Public Customer orders pursuant to subparagraph (vi) as a result of these proposed changes. Specifically, Exchange will allow a PRISM Order to trade on either the bid or offer, pursuant to subparagraph (vi), if the NBBO is \$0.01 wide, provided (1) the execution price is equal to or within the NBBO, (2) there is no resting customer at the execution price, and (3) \$0.01 is the Minimum Price Variation (MPV) of the option. The Exchange also proposes to add language that it will continue to reject a PRISM Order to buy (sell) if the NBBO is only \$0.01 wide and the Agency order is stopped on the bid (offer) if there is a resting order on the bid (offer). These requirements are unchanged from the Exchange's current handling practices of paired Public Customer-to-Public Customer PRISM Orders per subparagraph (vi), and the Exchange's current practice of rejecting PRISM Orders to buy (sell) if the NBBO is only \$0.01 wide and the Agency order is stopped on the bid (offer) if there is a resting order on the bid (offer).

The Exchange believes that these changes to PRISM may provide additional opportunities for PRISM Orders of under 50 option contracts to receive price improvement over the NBBO where the difference in the NBBO is \$0.01 and therefore encourage the increased submission of orders of under 50 option contracts. The

The system will continue to reject a simple PRISM Order to sell if the NBBO is only \$0.01 wide and the Agency order is stopped on the offer if there is a resting order on the offer. The system will provide an explicit reject reason if the system rejects a PRISM Order because the NBBO is only \$0.01 wide and the PRISM order did not improve the contra side NBBO.

Exchange notes that the statistics for the current pilot, which include, among other things, price improvement for orders of less than 50 option contracts under the current auction eligibility requirements, show relatively small amounts of price improvement for such orders. BX believes that the proposed requirements will therefore increase the price improvement that orders of under 50 option contracts may receive in PRISM. The Exchange also notes that NASDAQ PHLX LLC operates a similar price improvement mechanism, Price Improvement XL, also known as PIXL, which has been operating for a longer period of time and has therefore generated more pilot data.¹⁵ Given the similarity between the two mechanisms, the Exchange expects that PRISM, if operated on a pilot basis over a longer period of time, would generate data that is comparable to PIXL.

No Minimum Size Requirement

Chapter VI, Section 9(vii) provides that, as part of the current Pilot, there will be no minimum size requirement for orders to be eligible for the Auction.¹⁶ The Exchange proposed the no-minimum size requirement for PRISM auctions because it believed that there is meaningful competition in PRISM auctions for all size orders, there are opportunities for significant price improvement for orders executed through PRISM, and that there is an active and liquid market functioning on the Exchange outside of PRISM. The Exchange proposed to gather data over the course of the Pilot to support this

¹⁵ See Securities Exchange Act Release No. 63027 (October 1, 2010), 75 FR 62160 (October 7, 2010) (SR-Phlx-2010-108).

¹⁶ The Rule also requires the Exchange to submit certain data, periodically as required by the Commission, to provide supporting evidence that, among other things, there is meaningful competition for all size orders and that there is an active and liquid market functioning on the Exchange outside of the Auction mechanism. Any raw data which is submitted to the Commission will be provided on a confidential basis.

position. Specifically, the Exchange proposed to gather data relating to (1) the number of contracts (of orders of 50 contracts or greater) entered into the PRISM; (2) the number of contracts (of orders of fewer than 50 contracts) entered into the PRISM; (3) the number of orders of 50 contracts or greater entered into the PRISM; and (4) the number of orders of fewer than 50 contracts entered into the PRISM.¹⁷

The Exchange believes that the data gathered since the approval of the Pilot establishes that there is liquidity and competition both within PRISM and outside of PRISM, and that there are opportunities for significant price improvement within PRISM. In the period between January and June 2016, PRISM auctions executed 1.39 million contracts, which represents 8.3% of total BX contract volume. The average daily number of contracts traded on PRISM increased from 9,045 contracts per day in January 2016 to 9,070 contracts per day in June 2016. The percent of BX volume traded in PRISM auctions increased from 6.4% in January 2016 to 7.2% in June 2016. The percent of consolidated volume traded in PRISM remained approximately 10 basis points. The mean number of unique participants in PRISM auctions was 4.8 and median was 4.0. The distribution of auctions and contracts traded by number of unique participants were similar, with a single participant in about 19% of auctions and 26% of volume.

The Exchange has also gathered information about activity in orders for less than 50 and 50 contracts or greater for PRISM auctions between January and June 2016. For auctions occurring during that period, 87.8% of auctions were for orders for less than 50 contracts, a percentage that remained stable over that time period. Auctions for orders of less than 50 contracts accounted for 30.0% of the contract volume traded in PRISM.

¹⁷ See Securities Exchange Act Release No. 75827 (September 3, 2015), 80 FR 54607 (September 10, 2015) (SR-BX-2015-032).

Auctions of 50 contracts or more made up 12.2% of all PRISM auctions and accounted for 70.0% of contracts traded in PRISM.

With respect to price improvement, 60.5% of PRISM auctions between January and June 2016 executed at a price that was better than the NBBO at the time the auction began.¹⁸ The equal-weighted average amount of price improvement per contract for PRISM auctions was 3.5%, with the monthly average amount of price improvement ranging from 1.9% and 5.2% between January and June 2016. For auctions of less than 50 contracts, 64.7% received price improvement, while 30.5% of auctions for 50 contracts or more received price improvement.¹⁹ The equal-weighted average price improvement was 3.7% for auctions of less than 50 contracts and 1.9% for auctions of 50 contracts or more. Average price improvement was 4.4% when BX BBO was at the NBBO and 3.1% when BX BBO was not at the NBBO.

BX believes that the data gathered during the Pilot period indicates that there is meaningful competition in PRISM auctions for all size orders, there is an active and liquid market functioning on the Exchange outside of the auction mechanism, and that there are opportunities for price improvement for orders executed through PRISM. The Exchange therefore believes that it appropriate to approve the no minimum size requirement on a permanent basis.

¹⁸ 29.6% of PRISM auction began when BX best bid or offer was at the NBBO. 74.5% of auctions that began when the BX BBO was at the NBBO received price improvement. 54.6% of auctions that began when the BX BBO was not at the NBBO received price improvement.

¹⁹ 56.5% of contracts in auctions for less than 50 contracts received price improvement, while 25.8% of contracts in auctions of for 50 contracts or more received price improvement.

Early Conclusion of the PRISM Auction

Chapter VI, Section 9(ii)(B)(4) provides that the PRISM Auction shall conclude at the earlier of (1) the end of the Auction period; (2) any time the BX BBO crosses the PRISM Order stop price on the same side of the market as the PRISM Order; or (3) any time there is a trading halt on the Exchange in the affected series.²⁰ The latter two conditions are operating as part of the current Pilot.

As with the no minimum size requirement, the Exchange has gathered data on these latter two conditions. Between January and June 2016, one auction terminated early because the BX BBO crossed the PRISM Order stop price. No auctions terminated early because of halts. The number of auctions that terminated early was less than 1/100th of 1% of all PRISM auctions over the period. The auctions that terminated early were less than 1/100th of 1% of contracts traded in PRISM auctions.

The Exchange believes that it is appropriate to terminate an auction when either of these conditions occur.²¹ Based on the data gathered during the pilot, the Exchange does not anticipate that either of these conditions will occur with significant frequency, or

²⁰ If the situations described in either of the two latter conditions occur, the entire PRISM Order will be executed at: (1) in the case of the BX BBO crossing the PRISM Order stop price, the best response price(s) or, if the stop price is the best price in the Auction, at the stop price, unless the best response price is equal to or better than the price of a limit order resting on the Order Book on the same side of the market as the PRISM Order, in which case the PRISM Order will be executed against that response, but at a price that is at least the Minimum Increment better than the price of such limit order at the time of the conclusion of the Auction; or (2) in the case of a trading halt on the Exchange in the affected series, the stop price, in which case the PRISM Order will be executed solely against the Initiating Order. Any unexecuted PAN responses will be cancelled.

²¹ The Exchange notes that trading on the Exchange in any option contract will be halted whenever trading in the underlying security has been paused or halted by the primary listing market. See BX Rules at Chapter V, Section 3.

will otherwise disrupt the functioning of PRISM auctions. The Exchange therefore believes it is appropriate to approve this aspect of the Pilot on a permanent basis.

Unrelated Market or Marketable Limit Order

Chapter VI, Section 9(ii)(D) provides that an unrelated market or marketable limit order (against the BX BBO) on the opposite side of the market from the PRISM Order received during the Auction will not cause the Auction to end early and will execute against interest outside of the Auction. If contracts remain from such unrelated order at the time the auction ends, they will be considered for participation in the order allocation process described elsewhere in the Rule.

This provision is based on a similar provision in the Price Improvement XL (“PIXL”) mechanism on NASDAQ PHLX LLC (“Phlx”).²² In approving this feature on PIXL, also on a pilot basis, the Commission found that “allowing the PIXL auction to continue for the full auction period despite receipt of unrelated orders outside the Auction would allow the auction to run its full course and, in so doing, will provide a full opportunity for price improvement to the PIXL Order. Further, the unrelated order would be available to participate in the PIXL order allocation.”²³ Given that this provision is based on the corresponding PIXL provision, the Exchange believes that a similar rationale applies here. The Exchange also does not believe that this provision has had a significant impact on either the unrelated order or the PRISM auction process. The Exchange therefore believes it is appropriate to approve this aspect of the Pilot on a permanent basis.

²² See Phlx Rule 1080(n)(ii)(D).

²³ See Securities Exchange Act Release No. 63027 (October 1, 2010), 75 FR 62160 (October 7, 2010) (SR-PHLX-2010-108).

b. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the provisions of Section 6 of the Act,²⁴ in general and with Section 6(b)(5) of the Act,²⁵ in that it is designed to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest; and is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers, or to regulate by virtue of any authority conferred by the Act matters not related to the purposes of the Act or the administration of the Exchange.

The Exchange believes that the proposed rule change is also consistent with Section 6(b)(8) of the Act²⁶ in that it does not impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act.

Specifically, the Exchange believes that PRISM, including the rules to which the Pilot applies, results in increased liquidity available at improved prices, with competitive final pricing out of the Initiating Participant's complete control. The Exchange believes that PRISM promotes and fosters competition and affords the opportunity for price improvement to more options contracts. The Exchange believes that the changes to the PRISM Auction requiring price improvement of at least one minimum price

²⁴ 15 U.S.C. 78f.

²⁵ 15 U.S.C. 78f(b)(5).

²⁶ 15 U.S.C. 78f(b)(8).

improvement increment over the NBBO for PRISM Orders of less than 50 option contracts where the difference in the NBBO is \$0.01 will provide further price improvement for those PRISM Orders. The Exchange notes that statistics for the current pilot, which include, among other things, price improvement for orders of less than 50 option contracts under the current auction eligibility requirements, show relatively small amounts of price improvement for such orders. The Exchange believes that the proposed requirements will therefore increase the price improvement that orders of under 50 option contracts may receive in PRISM.

The Exchange believes that approving the Pilot on a permanent basis is also consistent with the Act. With respect to the no minimum size requirement, the Exchange believes that the data gathered during the Pilot period indicates that there is meaningful competition in PRISM auctions for all size orders, there is an active and liquid market functioning on the Exchange outside of the auction mechanism, and that there are opportunities for significant price improvement for orders executed through PRISM.

With respect to the early termination of a PRISM Auction, the Exchange believes that it is appropriate to terminate an auction any time the BX BBO crosses the PRISM Order stop price on the same side of the market as the PRISM Order, or any time there is a trading halt on the Exchange in the affected series. Based on the data gathered during the pilot, the Exchange does not anticipate that either of these conditions will occur with significant frequency, or will otherwise disrupt the functioning of PRISM auctions.

With respect to the requirement that an unrelated market or marketable limit order (against the BX BBO) on the opposite side of the market from the PRISM Order received during the Auction will not cause the Auction to end early and will execute against

interest outside of the Auction, the Exchange does not believe that this provision has had a significant impact on either the unrelated order or the PRISM auction process. The Exchange also believes that allowing the PRISM Auction to continue in this scenario will allow the auction to run its full course and, in so doing, will provide a full opportunity for price improvement to the PRISM Order. The Exchange also notes that the unrelated order would be available to participate in the PRISM order allocation.

4. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. The proposal will apply to all Exchange members, and participation in the PRISM Auction process is completely voluntary. Based on the data collected by the Exchange during the Pilot, the Exchange believes that there is meaningful competition in PRISM auctions for all size orders, there are opportunities for significant price improvement for orders executed through PRISM, and that there is an active and liquid market functioning on the Exchange outside of PRISM. The Exchange believes that requiring increased price improvement for PRISM Orders may encourage competition by attracting additional orders to participate in PRISM. The Exchange believes that approving the Pilot on a permanent basis will not significantly impact competition, as the Exchange is proposing no other change to the Pilot beyond implementing it on a permanent basis.

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

No written comments were either solicited or received.

6. Extension of Time Period for Commission Action

Not applicable.

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

Not applicable.

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

Not applicable.

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

Not applicable.

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

Not applicable.

11. Exhibits

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

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION
(Release No. _____ ; File No. SR-BX-2016-063)

November __, 2016

Self-Regulatory Organizations; NASDAQ BX, Inc.; Notice of Filing of Proposed Rule Change to Amend BX Chapter VI, Section 9 and to Make Pilot Program Permanent

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹, and Rule 19b-4 thereunder,² notice is hereby given that on November 21, 2016, NASDAQ BX, Inc. (“BX” or “Exchange”) filed with the Securities and Exchange Commission (“SEC” or “Commission”) the proposed rule change as described in Items I, II, and III, below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization’s Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to amend BX rules at Chapter VI, Section 9, concerning a price-improvement mechanism known as “PRISM.” Parts of PRISM are currently operating on a pilot basis (“Pilot”), which was approved by the Commission in 2015,³ and which is set to expire on January 18, 2017.⁴ In this proposal, the Exchange proposes to make the Pilot permanent, and also proposes to change the requirements for providing price improvement for PRISM Orders of less than 50 option contracts.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Securities Exchange Release No. 76301 (October 29, 2015), 80 FR 68347 (November 4, 2015) (SR-BX-2015-032) (“PRISM Approval Order”).

⁴ See Securities Exchange Act Release No. 78249 (July 7, 2016), 81 FR 45334 (July 13, 2016) (SR-BX-2016-038).

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

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

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

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

1. Purpose

The purpose of this proposed rule change is to make permanent certain pilots within Chapter VI, Section 9, entitled "Price Improvement Auction ("PRISM"). In addition, BX proposes to modify the requirements for PRISM auctions involving less than 50 contracts where the National Best Bid and Offer ("NBBO") is only \$0.01 wide.

Background

The Exchange adopted PRISM in November 2015 as a price-improvement mechanism on the Exchange.⁵ This mechanism permits a Participant (an "Initiating Participant") to electronically submit for execution an order it represents as agent on behalf of a Public Customer,⁶ Professional customer, broker dealer, or any other entity

⁵ See PRISM Approval Order, supra note 3.

⁶ A Public Customer order does not include a Professional order, and therefore a Professional would not be entitled to Public Customer priority as described

(“PRISM Order”) against principal interest or against any other order it represents as agent (an “Initiating Order”), provided it submits the PRISM Order for electronic execution into the PRISM Auction (“Auction”) pursuant to the Chapter VI, Section 9.⁷ All options traded on the Exchange are eligible for PRISM.

Pilot Program

Three components of PRISM were approved by the Commission on a pilot basis: (1) the early conclusion of the PRISM Auction;⁸ (2) the provision that an unrelated market or marketable limit order (against the BX BBO) on the opposite side of the market from the PRISM Order received during the Auction will not cause the Auction to end early and will execute against interest outside of the Auction;⁹ and (3) no minimum size requirement of orders. The provisions were approved for a pilot period that currently expires on January 18, 2017 (“Pilot”).¹⁰ The Exchange now seeks to have the Pilot approved on a permanent basis. In addition, the Exchange proposes to modify the scope of PRISM so that PRISM Orders for less than 50 option contracts will be required to

herein. A Public Customer means a person that is not a broker or dealer in securities. See BX Options Rules at Chapter I, Section 1(a)(50). A Public Customer order does not include a Professional order for purposes of BX Rule at Chapter VI, Section 10(1)(C)(1)(a), which governs allocation priority. A “Professional” means any person or entity that (i) is not a broker or dealer in securities, and (ii) places more than 390 orders in listed options per day on average during a calendar month for its own beneficial account(s). A Participant or a Public Customer may, without limitation, be a Professional. All Professional orders shall be appropriately marked by Participants. See BX Rules at Chapter I, Section 1(a)(49).

⁷ BX will only conduct an auction for Simple Orders.

⁸ See Chapter VI, Section 9(ii)(B)(4).

⁹ See Chapter VI, Section 9(ii)(D).

¹⁰ See PRISM Approval Order, supra note 3.

receive price improvement of at least one minimum price improvement increment over the NBBO if the NBBO is only \$0.01 wide. For orders of 50 contracts or more, or if the difference in the NBBO is greater than \$0.01, the requirements for price improvement remain the same.

During the pilot period the Exchange has been required to submit, and has been submitting, certain data periodically as required by the Commission, to provide supporting evidence that, among other things, there is meaningful competition for all size orders, there is significant price improvement available through PRISM, and that there is an active and liquid market functioning on the Exchange outside of the Auction mechanism. Specifically, the Exchange has submitted the following data as specified in its approval order:¹¹

- (1) The number of contracts (of orders of 50 contracts or greater) entered into the PRISM;
- (2) The number of contracts (of orders of fewer than 50 contracts) entered into the PRISM;
- (3) The number of orders of 50 contracts or greater entered into the PRISM; and
- (4) The number of orders of fewer than 50 contracts entered into the PRISM.

Price Improvement for Orders Under 50 Contracts

Currently, a PRISM Auction may be initiated if one of the following conditions are met. If the PRISM Order is for the account of a Public Customer, the Initiating Participant must stop the entire PRISM Order at a price that is equal to or better than the National Best Bid/Offer (“NBBO”) on the opposite side of the market from the PRISM

¹¹ Id.

Order, provided that such price must be at least one minimum trading increment specified in Chapter VI, Section 5 better than any limit order on the limit order book on the same side of the market as the PRISM Order.¹² If the PRISM Order is for the account of a broker dealer or any other person or entity that is not a Public Customer, the Initiating Participant must stop the entire PRISM Order at a price that is the better of: (i) the BX BBO price improved by at least the Minimum Increment on the same side of the market as the PRISM Order, or (ii) the PRISM Order's limit price (if the order is a limit order), provided in either case that such price is at or better than the NBBO.¹³

BX proposes to amend the PRISM auction to require at least \$0.01 price improvement for a PRISM Order if that order is for less than 50 contracts and if the difference between the NBBO is \$0.01. Accordingly, BX is proposing to amend the Auction Eligibility Requirements to require that, if the PRISM Order is for less than 50 option contracts, and if the difference between the NBBO is \$0.01, the Initiating Participant must stop the entire PRISM Order at one minimum price improvement increment better than the NBBO on the opposite side of the market from the PRISM Order, and better than any limit order on the limit order book on the same side of the market as the PRISM Order. This requirement will apply regardless of whether the PRISM Order is for the account of a Public Customer, or where the PRISM Order is for the account of a broker dealer or any other person or entity that is not a Public Customer.

The Exchange will retain the current requirements for auction eligibility where the PRISM Order is for the account of a Public Customer and such order is for 50 option

¹² See Chapter VI, Section 9(i)(A).

¹³ See Chapter VI, Section 9(i)(B).

contracts or more, or if the difference between the NBBO is greater than \$0.01. The Exchange will also retain the current requirements for auction eligibility where the PRISM Order is for the account of a broker dealer or any other person or entity that is not a Public Customer and such order is for 50 option contracts or more, or if the difference between the NBBO is greater than \$0.01. Accordingly, the Exchange is amending the Auction Eligibility Requirements to state that, if the PRISM Order is for the account of a Public Customer and such order is for 50 option contracts or more or if the difference between the NBBO is greater than \$0.01, the Initiating Participant must stop the entire PRISM Order at a price that is equal to or better than the National Best Bid/Offer (“NBBO”) on the opposite side of the market from the PRISM Order, provided that such price must be at least one minimum trading increment specified in Chapter VI, Section 5 (“Minimum Increment”) better than any limit order on the limit order book on the same side of the market as the PRISM Order.

Similarly, the Exchange is amending the Auction Eligibility Requirements to state that, if the PRISM Order is for the account of a broker dealer or any other person or entity that is not a Public Customer and such order is for 50 option contracts or more, or if the difference between the NBBO is greater than \$0.01, the Initiating Participant must stop the entire PRISM Order at a price that is the better of: (i) the BX BBO price improved by at least the Minimum Increment on the same side of the market as the PRISM Order, or (ii) the PRISM Order’s limit price (if the order is a limit order), provided in either case that such price is at or better than the NBBO.¹⁴

¹⁴ In implementing this change, the system will reject a simple PRISM Order to buy if the NBBO is only \$0.01 wide and the Agency order is stopped on the offer provided the order is not customer to customer. The system will reject a simple

The Exchange also proposes to add language to Chapter VI, Section 9(i) to clarify that, if any of the auction eligibility criteria are not met, the PRISM Order will be rejected. The Exchange will also add language to Chapter VI, Section 9(i) to clarify the treatment of paired Public Customer-to-Public Customer orders pursuant to subparagraph (vi) as a result of these proposed changes. Specifically, Exchange will allow a PRISM Order to trade on either the bid or offer, pursuant to subparagraph (vi), if the NBBO is \$0.01 wide, provided (1) the execution price is equal to or within the NBBO, (2) there is no resting customer at the execution price, and (3) \$0.01 is the Minimum Price Variation (MPV) of the option. The Exchange also proposes to add language that it will continue to reject a PRISM Order to buy (sell) if the NBBO is only \$0.01 wide and the Agency order is stopped on the bid (offer) if there is a resting order on the bid (offer). These requirements are unchanged from the Exchange's current handling practices of paired Public Customer-to-Public Customer PRISM Orders per subparagraph (vi), and the Exchange's current practice of rejecting PRISM Orders to buy (sell) if the NBBO is only \$0.01 wide and the Agency order is stopped on the bid (offer) if there is a resting order on the bid (offer).

PRISM Order to sell if the NBBO is only \$0.01 wide and the Agency order is stopped on the bid provided the order is not customer to customer. The system will still allow a customer to customer PRISM Order to trade on either the bid or offer, if the NBBO is \$0.01 wide, provided (1) the execution price is equal to or within the NBBO; (2) there is no resting customer at the execution price, and (3) \$0.01 is the Minimum Price Variation (MPV) of the option. The system will continue to reject a simple PRISM Order to buy if the NBBO is only \$0.01 wide and the Agency order is stopped on the bid if there is a resting order on the bid. The system will continue to reject a simple PRISM Order to sell if the NBBO is only \$0.01 wide and the Agency order is stopped on the offer if there is a resting order on the offer. The system will provide an explicit reject reason if the system rejects a PRISM Order because the NBBO is only \$0.01 wide and the PRISM order did not improve the contra side NBBO.

The Exchange believes that these changes to PRISM may provide additional opportunities for PRISM Orders of under 50 option contracts to receive price improvement over the NBBO where the difference in the NBBO is \$0.01 and therefore encourage the increased submission of orders of under 50 option contracts. The Exchange notes that the statistics for the current pilot, which include, among other things, price improvement for orders of less than 50 option contracts under the current auction eligibility requirements, show relatively small amounts of price improvement for such orders. BX believes that the proposed requirements will therefore increase the price improvement that orders of under 50 option contracts may receive in PRISM. The Exchange also notes that NASDAQ PHLX LLC operates a similar price improvement mechanism, Price Improvement XL, also known as PIXL, which has been operating for a longer period of time and has therefore generated more pilot data.¹⁵ Given the similarity between the two mechanisms, the Exchange expects that PRISM, if operated on a pilot basis over a longer period of time, would generate data that is comparable to PIXL.

No Minimum Size Requirement

Chapter VI, Section 9(vii) provides that, as part of the current Pilot, there will be no minimum size requirement for orders to be eligible for the Auction.¹⁶ The Exchange proposed the no-minimum size requirement for PRISM auctions because it believed that

¹⁵ See Securities Exchange Act Release No. 63027 (October 1, 2010), 75 FR 62160 (October 7, 2010) (SR-Phlx-2010-108).

¹⁶ The Rule also requires the Exchange to submit certain data, periodically as required by the Commission, to provide supporting evidence that, among other things, there is meaningful competition for all size orders and that there is an active and liquid market functioning on the Exchange outside of the Auction mechanism. Any raw data which is submitted to the Commission will be provided on a confidential basis.

there is meaningful competition in PRISM auctions for all size orders, there are opportunities for significant price improvement for orders executed through PRISM, and that there is an active and liquid market functioning on the Exchange outside of PRISM. The Exchange proposed to gather data over the course of the Pilot to support this position. Specifically, the Exchange proposed to gather data relating to (1) the number of contracts (of orders of 50 contracts or greater) entered into the PRISM; (2) the number of contracts (of orders of fewer than 50 contracts) entered into the PRISM; (3) the number of orders of 50 contracts or greater entered into the PRISM; and (4) the number of orders of fewer than 50 contracts entered into the PRISM.¹⁷

The Exchange believes that the data gathered since the approval of the Pilot establishes that there is liquidity and competition both within PRISM and outside of PRISM, and that there are opportunities for significant price improvement within PRISM. In the period between January and June 2016, PRISM auctions executed 1.39 million contracts, which represents 8.3% of total BX contract volume. The average daily number of contracts traded on PRISM increased from 9,045 contracts per day in January 2016 to 9,070 contracts per day in June 2016. The percent of BX volume traded in PRISM auctions increased from 6.4% in January 2016 to 7.2% in June 2016. The percent of consolidated volume traded in PRISM remained approximately 10 basis points. The mean number of unique participants in PRISM auctions was 4.8 and median was 4.0. The distribution of auctions and contracts traded by number of unique participants were similar, with a single participant in about 19% of auctions and 26% of volume.

¹⁷ See Securities Exchange Act Release No. 75827 (September 3, 2015), 80 FR 54607 (September 10, 2015) (SR-BX-2015-032).

The Exchange has also gathered information about activity in orders for less than 50 and 50 contracts or greater for PRISM auctions between January and June 2016. For auctions occurring during that period, 87.8% of auctions were for orders for less than 50 contracts, a percentage that remained stable over that time period. Auctions for orders of less than 50 contracts accounted for 30.0% of the contract volume traded in PRISM. Auctions of 50 contracts or more made up 12.2% of all PRISM auctions and accounted for 70.0% of contracts traded in PRISM.

With respect to price improvement, 60.5% of PRISM auctions between January and June 2016 executed at a price that was better than the NBBO at the time the auction began.¹⁸ The equal-weighted average amount of price improvement per contract for PRISM auctions was 3.5%, with the monthly average amount of price improvement ranging from 1.9% and 5.2% between January and June 2016. For auctions of less than 50 contracts, 64.7% received price improvement, while 30.5% of auctions for 50 contracts or more received price improvement.¹⁹ The equal-weighted average price improvement was 3.7% for auctions of less than 50 contracts and 1.9% for auctions of 50 contracts or more. Average price improvement was 4.4% when BX BBO was at the NBBO and 3.1% when BX BBO was not at the NBBO.

BX believes that the data gathered during the Pilot period indicates that there is meaningful competition in PRISM auctions for all size orders, there is an active and

¹⁸ 29.6% of PRISM auction began when BX best bid or offer was at the NBBO. 74.5% of auctions that began when the BX BBO was at the NBBO received price improvement. 54.6% of auctions that began when the BX BBO was not at the NBBO received price improvement.

¹⁹ 56.5% of contracts in auctions for less than 50 contracts received price improvement, while 25.8% of contracts in auctions of for 50 contracts or more received price improvement.

liquid market functioning on the Exchange outside of the auction mechanism, and that there are opportunities for price improvement for orders executed through PRISM. The Exchange therefore believes that it appropriate to approve the no minimum size requirement on a permanent basis.

Early Conclusion of the PRISM Auction

Chapter VI, Section 9(ii)(B)(4) provides that the PRISM Auction shall conclude at the earlier of (1) the end of the Auction period; (2) any time the BX BBO crosses the PRISM Order stop price on the same side of the market as the PRISM Order; or (3) any time there is a trading halt on the Exchange in the affected series.²⁰ The latter two conditions are operating as part of the current Pilot.

As with the no minimum size requirement, the Exchange has gathered data on these latter two conditions. Between January and June 2016, one auction terminated early because the BX BBO crossed the PRISM Order stop price. No auctions terminated early because of halts. The number of auctions that terminated early was less than 1/100th of 1% of all PRISM auctions over the period. The auctions that terminated early were less than 1/100th of 1% of contracts traded in PRISM auctions.

²⁰ If the situations described in either of the two latter conditions occur, the entire PRISM Order will be executed at: (1) in the case of the BX BBO crossing the PRISM Order stop price, the best response price(s) or, if the stop price is the best price in the Auction, at the stop price, unless the best response price is equal to or better than the price of a limit order resting on the Order Book on the same side of the market as the PRISM Order, in which case the PRISM Order will be executed against that response, but at a price that is at least the Minimum Increment better than the price of such limit order at the time of the conclusion of the Auction; or (2) in the case of a trading halt on the Exchange in the affected series, the stop price, in which case the PRISM Order will be executed solely against the Initiating Order. Any unexecuted PAN responses will be cancelled.

The Exchange believes that it is appropriate to terminate an auction when either of these conditions occur.²¹ Based on the data gathered during the pilot, the Exchange does not anticipate that either of these conditions will occur with significant frequency, or will otherwise disrupt the functioning of PRISM auctions. The Exchange therefore believes it is appropriate to approve this aspect of the Pilot on a permanent basis.

Unrelated Market or Marketable Limit Order

Chapter VI, Section 9(ii)(D) provides that an unrelated market or marketable limit order (against the BX BBO) on the opposite side of the market from the PRISM Order received during the Auction will not cause the Auction to end early and will execute against interest outside of the Auction. If contracts remain from such unrelated order at the time the auction ends, they will be considered for participation in the order allocation process described elsewhere in the Rule.

This provision is based on a similar provision in the Price Improvement XL (“PIXL”) mechanism on NASDAQ PHLX LLC (“Phlx”).²² In approving this feature on PIXL, also on a pilot basis, the Commission found that “allowing the PIXL auction to continue for the full auction period despite receipt of unrelated orders outside the Auction would allow the auction to run its full course and, in so doing, will provide a full opportunity for price improvement to the PIXL Order. Further, the unrelated order would be available to participate in the PIXL order allocation.”²³ Given that this provision is

²¹ The Exchange notes that trading on the Exchange in any option contract will be halted whenever trading in the underlying security has been paused or halted by the primary listing market. See BX Rules at Chapter V, Section 3.

²² See Phlx Rule 1080(n)(ii)(D).

²³ See Securities Exchange Act Release No. 63027 (October 1, 2010), 75 FR 62160 (October 7, 2010) (SR-PHLX-2010-108).

based on the corresponding PIXL provision, the Exchange believes that a similar rationale applies here. The Exchange also does not believe that this provision has had a significant impact on either the unrelated order or the PRISM auction process. The Exchange therefore believes it is appropriate to approve this aspect of the Pilot on a permanent basis.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the provisions of Section 6 of the Act,²⁴ in general and with Section 6(b)(5) of the Act,²⁵ in that it is designed to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest; and is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers, or to regulate by virtue of any authority conferred by the Act matters not related to the purposes of the Act or the administration of the Exchange.

The Exchange believes that the proposed rule change is also consistent with Section 6(b)(8) of the Act²⁶ in that it does not impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act.

²⁴ 15 U.S.C. 78f.

²⁵ 15 U.S.C. 78f(b)(5).

²⁶ 15 U.S.C. 78f(b)(8).

Specifically, the Exchange believes that PRISM, including the rules to which the Pilot applies, results in increased liquidity available at improved prices, with competitive final pricing out of the Initiating Participant's complete control. The Exchange believes that PRISM promotes and fosters competition and affords the opportunity for price improvement to more options contracts. The Exchange believes that the changes to the PRISM Auction requiring price improvement of at least one minimum price improvement increment over the NBBO for PRISM Orders of less than 50 option contracts where the difference in the NBBO is \$0.01 will provide further price improvement for those PRISM Orders. The Exchange notes that statistics for the current pilot, which include, among other things, price improvement for orders of less than 50 option contracts under the current auction eligibility requirements, show relatively small amounts of price improvement for such orders. The Exchange believes that the proposed requirements will therefore increase the price improvement that orders of under 50 option contracts may receive in PRISM.

The Exchange believes that approving the Pilot on a permanent basis is also consistent with the Act. With respect to the no minimum size requirement, the Exchange believes that the data gathered during the Pilot period indicates that there is meaningful competition in PRISM auctions for all size orders, there is an active and liquid market functioning on the Exchange outside of the auction mechanism, and that there are opportunities for significant price improvement for orders executed through PRISM.

With respect to the early termination of a PRISM Auction, the Exchange believes that it is appropriate to terminate an auction any time the BX BBO crosses the PRISM Order stop price on the same side of the market as the PRISM Order, or any time there is

a trading halt on the Exchange in the affected series. Based on the data gathered during the pilot, the Exchange does not anticipate that either of these conditions will occur with significant frequency, or will otherwise disrupt the functioning of PRISM auctions.

With respect to the requirement that an unrelated market or marketable limit order (against the BX BBO) on the opposite side of the market from the PRISM Order received during the Auction will not cause the Auction to end early and will execute against interest outside of the Auction, the Exchange does not believe that this provision has had a significant impact on either the unrelated order or the PRISM auction process. The Exchange also believes that allowing the PRISM Auction to continue in this scenario will allow the auction to run its full course and, in so doing, will provide a full opportunity for price improvement to the PRISM Order. The Exchange also notes that the unrelated order would be available to participate in the PRISM order allocation.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. The proposal will apply to all Exchange members, and participation in the PRISM Auction process is completely voluntary. Based on the data collected by the Exchange during the Pilot, the Exchange believes that there is meaningful competition in PRISM auctions for all size orders, there are opportunities for significant price improvement for orders executed through PRISM, and that there is an active and liquid market functioning on the Exchange outside of PRISM. The Exchange believes that requiring increased price improvement for PRISM Orders may encourage competition by attracting additional orders to participate in PRISM. The Exchange believes that approving the

Pilot on a permanent basis will not significantly impact competition, as the Exchange is proposing no other change to the Pilot beyond implementing it on a permanent basis.

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

No written comments were either solicited or received.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Within 45 days of the date of publication of this notice in the Federal Register or within such longer period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the Exchange consents, the Commission shall: (a) by order approve or disapprove such proposed rule change, or (b) institute proceedings to determine whether the proposed rule change should be disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic comments:

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-BX-2016-063 on the subject line.

Paper comments:

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

All submissions should refer to File Number SR-BX-2016-063. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (<http://www.sec.gov/rules/sro.shtml>).

Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street, NE, Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly.

All submissions should refer to File Number SR-BX-2016-063 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.²⁷

Robert W. Errett
Deputy Secretary

²⁷ 17 CFR 200.30-3(a)(12).

EXHIBIT 3**Summary of Pilot Data Gathered Pursuant to BX PRISM Pilot****Introduction**

This report covers PRISM activity from January 4, 2016 through June 30, 2016. It covers volume, characteristics of price improvement, and the outcome of auctions that terminated early.

Use of PRISM

PRISM auctions executed 1.39 million contracts over the 6 month period covered by this study (Table 1). That was 8.3% of total BX contract volume and 0.1% of total consolidated volume over the period. The average daily number of contracts traded on PRISM increased from 9,045 contracts per day in January 2016 to 9,070 contracts per day in June 2016. The percent of BX volume traded in PRISM auctions increased from 6.4% in January 2016 to 7.2% in June 2016. The percent of consolidated volume traded in PRISM was flat at about 10 basis points.

The period analyzed for this report coincided with a decline in volatility, an important driver of options trading volume. The VIX declined from an average of 23.7 during January 2016 to 17.8 during June 2016. During the period consolidated options volume increased 0.8%. BX volume increased by 3.0% and PRISM volume increased by 16.1%.

Table 1 : Equity option volume, January – June 2015

Volume (in millions)	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Total	Period % change
PRISM volume	0.17	0.24	0.22	0.37	0.18	0.20	1.39	16.1%
BX volume	2.7	2.7	2.6	3.0	2.9	2.8	16.7	3.0%
Consolidated volume	364.7	331.9	347.1	331.8	311.2	367.6	2,054.2	0.8%
% PRISM-to-BX volume	6.4%	9.0%	8.3%	12.1%	6.2%	7.2%	8.3%	
% PRISM-to-Consolidated volume	0.0%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	
VIX	23.7	22.5	15.8	14.3	14.9	17.8		-24.9%
Average daily volume (in thousands)	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jun-Jan	Period % change
PRISM average daily volume	9.0	12.2	10.3	17.4	8.6	9.1	11.2	0.3%
BX average daily volume	141.6	135.2	124.2	144.7	139.3	126.0	135.0	-11.0%
Consolidated average daily volume	19,193.3	16,595.9	16,527.1	15,802.0	14,818.0	16,707.2	16,566.4	-13.0%
Number of days	19	20	21	21	21	22	124	

Price Improvement¹

Between January and June 2016, 60.5% of PRISM auctions executed at a price that was better than the national best bid or offer (NBBO) at the time the auction began (Table 2). The equal-weighted average amount of price improvement per contract for PRISM auctions was 3.5%. The monthly average amount of price improvement ranged from 1.9% and 5.2% between January and June 2016.

The total amount of price improvement provided to customers was \$28,001. The monthly total amount of price improvement declined as volume in PRISM auctions declined.

Table 2 : Price improvement provided by PRISM auctions

Auctions	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Total
Price improvement	35.5%	57.3%	72.7%	68.1%	67.4%	51.1%	60.5%
No price improvement	64.3%	41.7%	26.5%	31.6%	32.2%	48.5%	39.0%
Total	7,495	10,639	10,019	14,598	11,575	9,846	64,172
Percent of contracts receiving price improvement	16.9%	33.9%	41.8%	33.4%	46.9%	36.8%	35.0%
Percent of contracts not receiving price improvement	82.6%	61.2%	54.0%	65.4%	52.1%	61.8%	62.7%
Total number of contracts	171,858	243,001	217,008	366,361	180,967	199,541	1,378,736
Average price improvement	2.4%	2.2%	4.2%	4.3%	5.2%	1.9%	3.5%
Total price improvement	\$4,633	\$4,098	\$4,863	\$6,624	\$4,646	\$3,136	\$28,001

Appendix tables

Appendix 1 presents detailed price improvement statistics for the volume transacted through PRISM for January to June 2016. Tables below summarize some of the information evident in the appendix tables.

Customer orders

Public customer agency orders initiated 99.9% of PRISM auctions and 99.7% of contracts executed by those auctions between January and June 2016 (Table 3). The share of customer orders in PRISM auctions was stable over the period. The share of orders receiving price improvement was 60.5% for customer orders and 33.9% for non-customer orders. The equal-

¹ Price improvement for a buy order is the national best offer at the time the auction began minus the execution price. Price improvement for a sell order is the execution price minus the national best bid at the time the auction began. An auction may result in multiple executions at different prices with some contracts receiving more price improvement than others. The total price improvement for an auction is divided by the number of contracts in the auction to get the per-contract price improvement for the auction. Percent price improvement for an auction is calculated as the per-contract price improvement for the auction divided by the NBBO midpoint at the time the auction began. Percent price improvement per auction is then averaged across time without weights. In 0.7% of auctions no NBBO was available at the time the auction began. These cases were not included in the calculations (Tables 2-16) because the amount of price improvement is unknown.

weighted average price improvement was 3.5% for customer orders and 4.0% for non-customer orders.

Table 3 : Customers versus non-customers PRISM auctions

Auctions	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Total
Customers auctions	99.8%	99.9%	99.9%	99.9%	100.0%	100.0%	99.9%
Non customer auctions	0.2%	0.1%	0.1%	0.1%	0.0%	0.0%	0.1%
Total auctions	7,495	10,639	10,019	14,598	11,575	9,846	64,172
Customer traded contracts	99.2%	99.4%	99.6%	99.8%	99.9%	100.0%	99.7%
Non-customer traded contracts	0.8%	0.6%	0.4%	0.2%	0.1%	0.0%	0.3%
Total number of contracts	171,858	243,001	217,008	366,361	180,967	199,541	1,378,736
Percent of customer auctions receiving price improvement	35.6%	57.3%	72.8%	68.1%	67.5%	51.1%	60.5%
Percent of non-customer auctions receiving price improvement	0.0%	20.0%	37.5%	72.2%	50.0%	0.0%	33.9%
Percent of customer traded contracts receiving price improvement	17.0%	34.1%	41.8%	33.3%	46.9%	36.8%	35.1%
Percent of non-customer traded contracts receiving price improvement	0.0%	7.5%	24.6%	57.1%	40.0%	0.0%	18.6%
Percent price improvement received by customer auctions	2.4%	2.2%	4.2%	4.3%	5.2%	1.9%	3.5%
Percent price improvement received by non-customer auctions	0.0%	8.0%	1.1%	7.7%	1.9%	0.0%	4.0%

Order size

87.8% of PRISM auctions between January and June 2016 were for orders for less than 50 contracts (Table 4). The percent of auctions less than 50 contracts was stable over the period. Auctions for orders of less than 50 contracts traded 30.0% of contract volume traded in PRISM. Auctions of 50 contracts or more made up 12.2% of all PRISM auctions and traded 70.0% of contracts traded in PRISM.

64.7% of auctions for less than 50 contracts received price improvement. 30.5% of auctions for 50 contracts or more received price improvement. 56.5% of contracts in auctions for less than 50 contracts received price improvement. 25.8% of contracts in auctions of for 50 contracts or more received price improvement. The equal-weighted average price improvement was 3.7% for auctions of less than 50 contracts and 1.9% for auctions of 50 contracts or more.

Table 4 : PRISM auctions by size

Auctions	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Total
Auctions order size < 50	86.9%	87.2%	87.7%	84.8%	91.8%	89.3%	87.8%
Auctions order size >= 50	13.1%	12.8%	12.3%	15.2%	8.2%	10.7%	12.2%
Total auctions	7,495	10,639	10,019	14,598	11,575	9,846	64,172
Traded contracts in auctions with order size < 50	26.6%	29.0%	30.2%	23.7%	40.7%	36.3%	30.0%
Traded contracts in auctions with order size >= 50	73.4%	71.0%	69.8%	76.3%	59.3%	63.7%	70.0%
Total number of contracts	171,858	243,001	217,008	366,361	180,967	199,541	1,378,736
Percent of auctions with order size < 50 receiving price improvement	38.9%	60.9%	78.1%	75.4%	69.7%	53.0%	64.7%
Percent of auctions with order size >= 50 receiving price improvement	13.1%	32.4%	34.6%	27.1%	42.7%	35.7%	30.5%
Percent of traded contracts in auctions with order size < 50 receiving price improvement	33.4%	51.7%	71.4%	68.0%	60.0%	45.2%	56.5%
Percent of traded contracts in auctions with order size >= 50 receiving price improvement	11.0%	26.6%	29.0%	22.7%	38.0%	32.0%	25.8%
Percent price improvement received by auctions with order size < 50	2.6%	2.4%	4.5%	4.7%	5.3%	2.0%	3.7%
Percent price improvement received by auctions with order size >= 50	1.2%	1.0%	2.3%	2.0%	3.4%	1.4%	1.9%

BX quote

29.6% of PRISM auction began when BX best bid or offer was at the NBBO² (Table 5). 74.5% of auctions that began when the BX BBO was at the NBBO received price improvement. 54.6% of auctions that began when the BX BBO was not at the NBBO received price improvement. Average price improvement was 4.4% when BX BBO was at the NBBO and 3.1% when BX BBO was not at the NBBO.

Table 5 : PRISM auctions by BX quote situation

Auctions	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Total
BX BBO = NBBO	64.8%	21.1%	26.4%	27.2%	27.3%	21.3%	29.6%
BX BBO ≠ NBBO	35.2%	78.9%	73.6%	72.8%	72.7%	78.7%	70.4%
Total auctions	7,495	10,639	10,019	14,598	11,575	9,846	64,172
Traded contracts when BX BBO = NBBO	61.5%	13.1%	15.0%	14.2%	19.7%	13.3%	20.6%
Traded contracts when BX BBO ≠ NBBO	38.5%	86.9%	85.0%	85.8%	80.3%	86.7%	79.4%
Total number of contracts	171,858	243,001	217,008	366,361	180,967	199,541	1,378,736
Percent of auctions with BX BBO = NBBO receiving price improvement	40.3%	83.2%	90.2%	88.3%	87.7%	78.6%	74.5%
Percent of auctions with BX BBO ≠ NBBO receiving price improvement	26.8%	50.3%	66.5%	60.6%	59.9%	43.6%	54.6%
Percent of traded contracts when BX BBO = NBBO receiving price improvement	22.1%	64.1%	70.7%	64.1%	73.0%	72.8%	51.2%
Percent of traded contracts when BX BBO ≠ NBBO receiving price improvement	8.7%	29.3%	36.7%	28.3%	40.5%	31.3%	30.8%
Percent price improvement received auctions when BX BBO = NBBO	3.0%	3.7%	5.0%	5.3%	6.4%	3.0%	4.4%
Percent price improvement received auctions when BX BBO ≠ NBBO	1.3%	1.8%	3.9%	3.9%	4.7%	1.6%	3.1%

NBBO spread width

The median quoted spread when a PRISM auction began was \$0.10 or 5.4%. The distribution of auctions and contracts traded by spread were similar (Tables 6 and 7). Auctions that began when spreads were wider were more likely to receive price improvement (Tables 8 and 9). Auctions that began when spreads were wider had higher average price improvement per contract (Table 10).

Table 6 : Distribution of PRISM auctions, by spread width when auction began

Quoted spread	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Total
0.01	24.9%	15.4%	9.6%	14.7%	13.8%	24.4%	16.5%
0.02	0.0%	10.8%	8.4%	7.9%	7.7%	7.2%	7.4%
0.03	0.0%	8.5%	5.8%	5.9%	6.0%	6.2%	5.7%
0.04	0.0%	5.2%	4.5%	4.7%	4.6%	5.6%	4.3%
0.05	0.0%	7.7%	9.8%	11.0%	9.9%	8.3%	8.4%
>.05,<=.10	27.8%	15.5%	17.7%	18.2%	18.3%	17.7%	18.7%
>.10,<=.20	18.6%	13.9%	17.1%	15.0%	17.9%	14.6%	16.0%
>.20,<=.30	7.4%	7.2%	8.9%	7.5%	7.5%	6.1%	7.4%
>.30,<=.40	6.6%	4.5%	5.5%	4.3%	4.4%	2.8%	4.6%
>.40,<=.50	2.8%	3.2%	3.8%	2.9%	2.3%	1.8%	2.8%
>.50	11.8%	8.1%	8.9%	7.9%	7.4%	5.3%	8.1%

² Defined as when BX best offer was equal to national best offer for a buy initiating order, and BX best bid was equal to national best bid for a sell initiating order.

Table 7 : Distribution of contracts traded in PRISM auctions, by spread width when auction began

Quoted spread	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Total
0.01	47.7%	18.2%	20.5%	32.8%	21.5%	27.9%	28.0%
0.02	0.0%	18.5%	16.4%	20.1%	12.3%	10.5%	14.3%
0.03	0.0%	17.9%	13.5%	10.4%	10.3%	11.0%	11.0%
0.04	0.0%	9.7%	7.3%	5.3%	6.6%	7.7%	6.2%
0.05	0.0%	7.6%	8.7%	7.4%	8.2%	8.5%	7.0%
>.05,<=.10	31.5%	11.1%	13.4%	10.1%	17.8%	15.7%	15.3%
>.10,<=.20	9.5%	7.5%	8.9%	6.4%	12.5%	11.1%	8.9%
>.20,<=.30	2.9%	3.2%	4.3%	2.7%	4.8%	3.4%	3.4%
>.30,<=.40	2.6%	2.1%	2.2%	1.4%	2.4%	1.1%	1.9%
>.40,<=.50	1.0%	1.1%	1.4%	1.0%	1.0%	0.8%	1.1%
>.50	4.8%	3.2%	3.3%	2.3%	2.7%	2.2%	3.0%

Table 8 : Percent of auctions receiving price improvement, by spread width when auction began

Quoted spread	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Total
0.01	0.0%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
0.02	0.0%	0.7%	3.5%	2.7%	2.0%	0.7%	1.7%
0.03	0.0%	1.9%	2.6%	2.7%	2.3%	1.7%	2.0%
0.04	0.0%	2.4%	2.7%	3.0%	2.7%	2.5%	2.4%
0.05	0.0%	4.8%	7.0%	8.1%	7.5%	5.1%	5.8%
>.05,<=.10	4.1%	12.8%	15.1%	15.6%	15.6%	13.3%	13.3%
>.10,<=.20	9.2%	12.5%	15.6%	14.1%	16.6%	13.1%	13.8%
>.20,<=.30	4.8%	6.9%	8.5%	7.2%	7.1%	5.6%	6.8%
>.30,<=.40	4.8%	4.4%	5.3%	4.1%	4.2%	2.5%	4.2%
>.40,<=.50	2.4%	3.0%	3.7%	2.8%	2.2%	1.6%	2.6%
>.50	10.3%	7.8%	8.6%	7.7%	7.2%	5.0%	7.7%

Table 9 : Percent of contracts receiving price improvement, by spread width when auction began

Quoted spread	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Total
0.01	0.0%	0.1%	0.3%	0.3%	0.1%	0.2%	0.2%
0.02	0.0%	0.9%	3.7%	3.9%	2.1%	0.7%	2.2%
0.03	0.0%	2.9%	3.1%	2.9%	2.5%	2.1%	2.4%
0.04	0.0%	3.5%	2.5%	2.1%	2.8%	2.7%	2.3%
0.05	0.0%	3.5%	4.3%	4.2%	5.2%	4.0%	3.7%
>.05,<=.10	4.0%	7.6%	9.6%	7.2%	13.1%	10.7%	8.5%
>.10,<=.20	4.5%	6.5%	7.6%	5.9%	11.1%	9.5%	7.3%
>.20,<=.30	1.8%	2.8%	3.9%	2.5%	4.2%	3.2%	3.0%
>.30,<=.40	2.0%	2.0%	2.1%	1.3%	2.1%	1.0%	1.7%
>.40,<=.50	0.7%	1.0%	1.4%	0.9%	1.0%	0.8%	1.0%
>.50	4.0%	3.1%	3.1%	2.2%	2.6%	2.1%	2.8%

Table 10 : Average price improvement for PRISM auctions, by spread width when auction began

Quoted spread	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Total
0.01	0.0%	0.1%	0.1%	0.1%	0.0%	0.0%	0.0%
0.02	0.0%	0.3%	3.0%	2.6%	2.4%	0.2%	1.7%
0.03	0.0%	0.6%	2.0%	1.9%	1.8%	0.8%	1.4%
0.04	0.0%	1.5%	3.1%	3.0%	2.5%	1.3%	2.3%
0.05	0.0%	2.0%	3.0%	5.8%	9.3%	0.9%	4.7%
>.05,<=.10	1.7%	1.8%	3.5%	4.0%	5.3%	1.9%	3.1%
>.10,<=.20	3.3%	2.9%	5.6%	5.9%	6.9%	3.5%	4.9%
>.20,<=.30	3.6%	4.5%	6.5%	6.2%	6.3%	4.4%	5.5%
>.30,<=.40	4.5%	4.7%	6.0%	6.5%	6.5%	5.1%	5.7%
>.40,<=.50	3.9%	5.4%	7.1%	6.6%	8.4%	6.8%	6.4%
>.50	5.2%	6.1%	7.1%	8.0%	9.1%	6.4%	7.1%

Number of unique participants

The mean number of unique participants in PRISM auctions was 4.8 and median was 4.0. The distribution of auctions and contracts traded by number of unique participants were similar, with a single participant in about 19% of auctions and 26% of volume (Tables 11 and 12). The probability that an auction provided price improvement does not vary systematically with the number of participants (Tables 13 and 14). Auctions that had fewer participants had higher average price improvement per contract (Table 15).

Table 11 : Distribution of PRISM auctions, by number of participants

PRISM auctions number of participants	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Total
1	7.6%	11.9%	19.2%	23.5%	23.9%	19.3%	18.5%
2	5.6%	5.3%	5.7%	6.0%	7.7%	6.6%	6.2%
3	10.5%	9.2%	8.3%	7.8%	7.1%	6.3%	8.1%
4	23.5%	21.9%	21.1%	21.9%	19.7%	22.3%	21.6%
5	5.2%	6.7%	6.3%	6.9%	3.8%	3.0%	5.4%
6	17.6%	14.4%	12.2%	11.6%	14.4%	16.5%	14.1%
7	1.7%	2.1%	1.7%	1.5%	1.4%	2.0%	1.7%
8	19.3%	15.1%	14.0%	11.3%	12.4%	14.4%	14.0%
9	1.9%	2.6%	1.8%	1.7%	1.7%	1.7%	1.9%
10	5.1%	7.5%	7.9%	6.2%	6.7%	6.1%	6.7%
>10	2.0%	3.4%	2.0%	1.6%	1.2%	1.7%	2.0%

Table 12 : Distribution of contracts traded in PRISM auctions, by number of participants

PRISM auctions number of participants	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Total
1	18.6%	18.8%	23.5%	39.7%	21.1%	23.7%	26.1%
2	3.7%	2.9%	4.5%	2.6%	3.0%	3.0%	3.2%
3	5.3%	4.7%	4.2%	3.6%	3.5%	2.9%	4.0%
4	24.9%	23.6%	25.5%	22.9%	24.1%	25.2%	24.2%
5	6.0%	3.7%	4.5%	3.0%	2.5%	1.5%	3.4%
6	14.8%	14.9%	13.3%	10.3%	18.0%	16.9%	14.1%
7	2.5%	3.4%	3.0%	2.2%	2.4%	2.8%	2.7%
8	12.3%	12.1%	9.6%	6.9%	11.0%	11.0%	10.0%
9	5.3%	5.5%	3.8%	3.4%	4.1%	3.2%	4.1%
10	3.2%	5.2%	5.2%	3.6%	6.3%	5.7%	4.7%
>10	3.4%	5.2%	3.0%	1.9%	4.2%	4.1%	3.5%

Table 13 : Percent of PRISM auctions receiving price improvement, by number of participants

PRISM auctions number of participants	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Total
1	0.2%	1.2%	12.4%	11.5%	13.9%	0.4%	7.4%
2	1.8%	2.4%	3.3%	3.5%	4.5%	1.8%	3.0%
3	4.9%	7.1%	7.4%	6.8%	5.8%	4.8%	6.2%
4	8.7%	12.9%	14.8%	14.8%	11.6%	10.4%	12.5%
5	2.7%	6.0%	5.7%	6.1%	2.9%	2.0%	4.4%
6	5.9%	8.3%	8.6%	8.0%	10.2%	11.9%	8.9%
7	0.3%	0.3%	0.4%	0.5%	0.3%	0.5%	0.4%
8	8.1%	11.3%	11.9%	9.8%	11.0%	12.7%	10.8%
9	0.3%	0.6%	0.6%	0.7%	0.5%	0.5%	0.6%
10	2.5%	6.3%	6.9%	5.6%	6.1%	5.4%	5.6%
>10	0.2%	0.9%	0.9%	0.8%	0.6%	0.7%	0.7%

Table 14 : Percent of contracts traded receiving price improvement, by number of participants

PRISM auctions number of participants	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Total
1	0.4%	1.6%	7.9%	8.3%	8.1%	0.4%	4.9%
2	1.1%	1.3%	2.2%	1.4%	1.0%	0.4%	1.3%
3	2.1%	3.6%	3.5%	3.0%	2.3%	1.9%	2.8%
4	3.5%	6.6%	7.5%	5.5%	7.2%	6.9%	6.2%
5	0.5%	2.1%	1.9%	1.4%	1.1%	0.5%	1.3%
6	3.5%	5.8%	6.6%	4.7%	10.7%	10.8%	6.7%
7	0.2%	0.6%	0.7%	0.4%	0.4%	0.8%	0.5%
8	3.7%	6.8%	5.9%	4.6%	8.9%	8.6%	6.2%
9	0.7%	0.8%	0.8%	0.8%	0.9%	0.7%	0.8%
10	1.0%	3.3%	3.1%	2.4%	4.5%	4.1%	3.0%
>10	0.2%	1.4%	1.5%	1.0%	1.8%	1.7%	1.3%

Table 15 : Average percent price improvement, by number of participants

PRISM auctions number of participants	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Total
1	0.6%	0.5%	7.3%	7.8%	11.0%	0.1%	6.1%
2	2.6%	1.5%	3.1%	3.0%	4.2%	1.1%	2.7%
3	3.2%	3.2%	5.4%	3.7%	5.1%	2.4%	3.9%
4	2.0%	2.3%	3.2%	3.4%	2.9%	1.6%	2.6%
5	2.6%	3.3%	2.7%	3.2%	3.5%	4.5%	3.2%
6	2.2%	1.9%	3.2%	3.1%	2.8%	2.7%	2.7%
7	0.3%	0.2%	1.6%	3.2%	0.7%	0.3%	1.1%
8	3.4%	2.8%	3.7%	3.0%	3.6%	3.2%	3.3%
9	1.2%	0.4%	1.3%	2.1%	0.9%	2.3%	1.3%
10	3.5%	4.2%	4.5%	3.4%	3.7%	3.2%	3.8%
>10	0.9%	0.4%	1.8%	2.2%	2.7%	2.6%	1.6%

Auctions terminated early

Between January and June 2016 one auction terminated early because the PBBO crossed the PRISM order stop price (Table 16). No auctions terminated early because of halts. The number of auctions that terminated early was less than 1/100th of 1% of all PRISM auctions over the period. The auctions that terminated early were less than 1/100th of 1% of contracts traded in PRISM auctions.

Table 16 : Early terminated PRISM auctions

	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Total
Early terminated auctions	0	1	0	0	0	0	1
Percent early terminated auctions	0.00%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%
Traded contracts in early terminated auctions	0	5	0	0	0	0	5
Percent of traded contracts in early terminated auctions	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Percent of early terminated auctions receiving price improvement	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	100.0%
Percent of traded contracts in early terminated auctions receiving price improvement	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	100.0%
Percent price improvement received by early terminated auctions	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.1%

Appendix: Detailed price improvement statistics for the volume transacted through PRISM for January 2016.

Customer

Month Jan 2016

Order size greater than or equal to 50

Quoting at NBBO

		Improvement													Total Contracts	Average Number	Average Percent of Orders	Average Percent
		0	0.01	0.02	0.03	0.04	0.05	>.05,<=.10	>.10,<=.20	>.20,<=.30	>.30,<=.40	>.40,<=.50	>.50	Traded	of Participants	Initiator Receives	of Contracts	
Spread	0.01	41,837	0	0	0	0	0	0	0	0	0	0	0	41,837	3	62	64	
	0.02	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	0.03	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	0.04	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	0.05	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	>.05,<=.10	26,029	0	0	0	0	3,004	0	0	0	0	0	0	29,033	5	54	56	
	>.10,<=.20	3,163	0	0	0	0	2,902	0	0	0	0	0	0	6,065	5	55	53	
	>.20,<=.30	337	0	0	0	0	986	100	0	0	0	0	0	1,423	6	46	47	
	>.30,<=.40	252	0	0	0	0	800	500	0	0	0	0	0	1,552	6	55	56	
	>.40,<=.50	80	0	0	0	0	140	100	0	0	0	0	0	320	5	50	50	
	>.50	587	0	0	0	0	402	175	120	181	190	649	2,304	6	46	47		
Total Contracts Traded														82,534				

Customer

Month Jan 2016

Order size greater than or equal to 50

Not Quoting at NBBO

		Improvement													Total Contracts	Average Number	Average Percent of Orders	Average Percent
		0	0.01	0.02	0.03	0.04	0.05	>.05,<=.10	>.10,<=.20	>.20,<=.30	>.30,<=.40	>.40,<=.50	>.50	Traded	of Participants	Initiator Receives	of Contracts	
Spread	0.01	34,926	0	0	0	0	0	0	0	0	0	0	0	34,926	4	57	56	
	0.02	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	0.03	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	0.04	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	0.05	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	>.05,<=.10	11,846	0	0	0	0	958	0	0	0	0	0	0	12,804	5	53	53	
	>.10,<=.20	1,485	0	0	0	0	688	0	0	0	0	0	0	2,173	4	51	50	
	>.20,<=.30	350	0	0	0	0	128	0	0	0	0	0	0	478	5	50	50	
	>.30,<=.40	200	0	0	0	0	100	0	0	0	0	0	0	300	6	45	45	
	>.40,<=.50	165	0	0	0	0	0	0	0	0	0	0	0	165	3	75	75	
	>.50	76	0	0	0	0	0	50	0	0	0	0	0	126	5	41	41	
Total Contracts Traded														50,972				

Appendix: Detailed price improvement statistics for the volume transacted through PRISM for January 2016.

Customer
 Month Jan 2016
 Order size less than 50
 Quoting at NBBO

		Improvement												Total Contracts	Average Number	Average Percent of Orders	Average Percent
		0	0.01	0.02	0.03	0.04	0.05	>.05,<=.10	>.10,<=.20	>.20,<=.30	>.30,<=.40	>.40,<=.50	>.50	Traded	of Participants	Initiator Receives	of Contracts
Spread	0.01	10,152	0	0	0	0	0	0	0	0	0	0	0	10,152	5	58	51
	0.02	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.03	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.04	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.05	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.05,<=.10	7,133	0	0	0	0	1,450	0	0	0	0	0	0	8,583	5	62	52
	>.10,<=.20	2,520	0	0	0	0	3,155	72	0	0	0	0	0	5,747	5	66	53
	>.20,<=.30	633	0	0	0	0	1,280	156	0	0	0	0	0	2,069	5	66	55
	>.30,<=.40	289	0	0	0	0	947	430	70	0	0	0	0	1,736	5	67	54
	>.40,<=.50	64	0	0	0	0	401	216	98	0	0	0	0	779	5	68	58
	>.50	258	0	0	0	0	654	773	684	416	237	459	0	3,481	5	67	54
Total Contracts Traded													32,547				

Customer
 Month Jan 2016
 Order size less than 50
 Not Quoting at NBBO

		Improvement												Total Contracts	Average Number	Average Percent of Orders	Average Percent
		0	0.01	0.02	0.03	0.04	0.05	>.05,<=.10	>.10,<=.20	>.20,<=.30	>.30,<=.40	>.40,<=.50	>.50	Traded	of Participants	Initiator Receives	of Contracts
Spread	0.01	4,739	0	0	0	0	0	0	0	0	0	0	0	4,739	5	63	59
	0.02	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.03	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.04	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.05	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.05,<=.10	4,097	0	0	0	0	425	0	0	0	0	0	0	4,522	4	66	56
	>.10,<=.20	1,883	0	0	0	0	963	4	0	0	0	0	0	2,850	4	72	59
	>.20,<=.30	550	0	0	0	0	421	5	0	0	0	0	0	976	4	75	66
	>.30,<=.40	387	0	0	0	0	477	69	0	0	0	0	0	933	4	71	61
	>.40,<=.50	166	0	0	0	0	121	119	5	0	0	0	0	411	5	69	65
	>.50	478	0	0	0	0	504	329	160	45	18	80	0	1,614	4	75	64
Total Contracts Traded													16,045				

Appendix: Detailed price improvement statistics for the volume transacted through PRISM for January 2016.

Non-Customer

Month Jan 2016

Order size greater than or equal to 50

Quoting at NBBO

		Improvement												Total Contracts	Average Number	Average Percent of Orders	Average Percent
		0	0.01	0.02	0.03	0.04	0.05	>.05,<=.10	>.10,<=.20	>.20,<=.30	>.30,<=.40	>.40,<=.50	>.50	Traded	of Participants	Initiator Receives	of Contracts
Spread	0.01	632	0	0	0	0	0	0	0	0	0	0	0	632	5	46	48
	0.02	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.03	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.04	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.05	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.05,<=.10	285	0	0	0	0	0	0	0	0	0	0	0	285	5	41	42
	>.10,<=.20	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.20,<=.30	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.30,<=.40	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.40,<=.50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Contracts Traded													917				

Non-Customer

Month Jan 2016

Order size greater than or equal to 50

Not Quoting at NBBO

		Improvement												Total Contracts	Average Number	Average Percent of Orders	Average Percent
		0	0.01	0.02	0.03	0.04	0.05	>.05,<=.10	>.10,<=.20	>.20,<=.30	>.30,<=.40	>.40,<=.50	>.50	Traded	of Participants	Initiator Receives	of Contracts
Spread	0.01	259	0	0	0	0	0	0	0	0	0	0	0	259	4	50	50
	0.02	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.03	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.04	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.05	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.05,<=.10	102	0	0	0	0	0	0	0	0	0	0	0	102	8	40	40
	>.10,<=.20	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.20,<=.30	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.30,<=.40	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.40,<=.50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Contracts Traded													361				

Appendix: Detailed price improvement statistics for the volume transacted through PRISM for January 2016.

Non-Customer
 Month Jan 2016
 Order size less than 50
 Quoting at NBBO

		Improvement												Total Contracts	Average Number	Average Percent of Orders	Average Percent
		0	0.01	0.02	0.03	0.04	0.05	>.05,<=.10	>.10,<=.20	>.20,<=.30	>.30,<=.40	>.40,<=.50	>.50	Traded	of Participants	Initiator Receives	of Contracts
Spread	0.01	36	0	0	0	0	0	0	0	0	0	0	0	36	1	100	100
	0.02	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.03	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.04	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.05	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.05,<=.10	1	0	0	0	0	0	0	0	0	0	0	0	1	4	100	100
	>.10,<=.20	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.20,<=.30	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.30,<=.40	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.40,<=.50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Contracts Traded														37			

Non-Customer
 Month Jan 2016
 Order size less than 50
 Not Quoting at NBBO

		Improvement												Total Contracts	Average Number	Average Percent of Orders	Average Percent
		0	0.01	0.02	0.03	0.04	0.05	>.05,<=.10	>.10,<=.20	>.20,<=.30	>.30,<=.40	>.40,<=.50	>.50	Traded	of Participants	Initiator Receives	of Contracts
Spread	0.01	1	0	0	0	0	0	0	0	0	0	0	0	1	3	100	100
	0.02	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.03	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.04	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.05	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.05,<=.10	2	0	0	0	0	0	0	0	0	0	0	0	2	6	50	50
	>.10,<=.20	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.20,<=.30	5	0	0	0	0	0	0	0	0	0	0	0	5	1	100	100
	>.30,<=.40	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.40,<=.50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Contracts Traded														8			

Appendix: Detailed price improvement statistics for the volume transacted through PRISM for February 2016.

Customer

Month Feb 2016

Order size greater than or equal to 50

Quoting at NBBO

		Improvement												Total Contracts	Average Number	Average Percent of Orders	Average Percent
		0	0.01	0.02	0.03	0.04	0.05	>.05,<=.10	>.10,<=.20	>.20,<=.30	>.30,<=.40	>.40,<=.50	>.50	Traded	of Participants	Initiator Receives	of Contracts
Spread	0.01	2,064	0	0	0	0	0	0	0	0	0	0	0	2,064	4	60	59
	0.02	2,021	246	0	0	0	0	0	0	0	0	0	0	2,267	5	60	62
	0.03	1,718	190	0	0	0	0	0	0	0	0	0	0	1,908	7	50	50
	0.04	607	330	0	0	0	0	0	0	0	0	0	0	937	5	54	56
	0.05	568	397	50	0	0	0	0	0	0	0	0	0	1,015	10	41	41
	>.05,<=.10	886	768	452	250	301	220	0	0	0	0	0	0	2,877	6	52	52
	>.10,<=.20	91	385	106	485	496	239	263	0	0	0	0	0	2,065	7	46	45
	>.20,<=.30	0	189	115	0	206	114	304	150	50	0	0	0	1,128	8	42	43
	>.30,<=.40	0	151	56	50	207	50	130	379	0	0	0	0	1,023	7	44	44
	>.40,<=.50	0	0	0	0	170	50	0	100	0	50	0	0	370	7	50	50
	>.50	0	342	8	0	50	0	0	544	310	6	80	221	1,561	5	56	56
Total Contracts Traded														17,215			

Customer

Month Feb 2016

Order size greater than or equal to 50

Not Quoting at NBBO

		Improvement												Total Contracts	Average Number	Average Percent of Orders	Average Percent
		0	0.01	0.02	0.03	0.04	0.05	>.05,<=.10	>.10,<=.20	>.20,<=.30	>.30,<=.40	>.40,<=.50	>.50	Traded	of Participants	Initiator Receives	of Contracts
Spread	0.01	26,281	58	0	0	0	0	0	0	0	0	0	0	26,339	3	66	65
	0.02	31,936	1,511	0	0	0	0	0	0	0	0	0	0	33,447	6	55	54
	0.03	29,192	4,417	291	0	0	0	0	0	0	0	0	0	33,900	4	55	57
	0.04	13,398	4,863	463	0	0	0	0	0	0	0	0	0	18,724	6	47	48
	0.05	6,337	3,853	561	100	0	0	0	0	0	0	0	0	10,851	6	51	51
	>.05,<=.10	5,523	3,527	1,801	1,395	424	181	145	0	0	0	0	0	12,996	5	51	51
	>.10,<=.20	1,454	1,587	1,261	767	296	625	1,145	0	0	0	0	0	7,135	7	52	51
	>.20,<=.30	751	267	375	0	60	75	490	50	0	0	0	0	2,068	4	58	60
	>.30,<=.40	60	147	0	86	29	50	510	260	0	0	0	0	1,142	7	55	55
	>.40,<=.50	50	50	0	80	0	0	225	100	0	0	0	0	505	7	57	57
	>.50	111	100	0	44	0	0	50	325	294	100	74	40	1,138	3	79	78
Total Contracts Traded														148,245			

Appendix: Detailed price improvement statistics for the volume transacted through PRISM for February 2016.

Customer
 Month Feb 2016
 Order size less than 50
 Quoting at NBBO

		Improvement												Total Contracts	Average Number	Average Percent of Orders	Average Percent
		0	0.01	0.02	0.03	0.04	0.05	>.05,<=.10	>.10,<=.20	>.20,<=.30	>.30,<=.40	>.40,<=.50	>.50	Traded	of Participants	Initiator Receives	of Contracts
Spread	0.01	1,080	10	0	0	0	0	0	0	0	0	0	0	1,090	4	61	61
	0.02	719	64	0	0	0	0	0	0	0	0	0	0	783	6	59	55
	0.03	271	116	0	0	0	0	0	0	0	0	0	0	387	6	56	50
	0.04	134	154	0	0	0	0	0	0	0	0	0	0	288	7	59	52
	0.05	372	604	143	19	21	0	0	0	0	0	0	0	1,159	6	55	48
	>.05,<=.10	211	727	485	303	108	84	76	0	0	0	0	0	1,994	6	62	50
	>.10,<=.20	79	198	298	289	165	418	477	45	0	0	0	0	1,969	6	67	56
	>.20,<=.30	11	21	49	35	136	151	495	220	40	0	0	0	1,158	5	63	56
	>.30,<=.40	0	8	10	57	59	55	285	414	13	0	0	0	901	6	68	57
	>.40,<=.50	0	2	0	6	4	17	168	404	86	26	0	0	713	5	69	59
	>.50	9	0	0	1	8	21	244	666	439	228	173	350	2,139	5	71	55
Total Contracts Traded														12,581			

Customer
 Month Feb 2016
 Order size less than 50
 Not Quoting at NBBO

		Improvement												Total Contracts	Average Number	Average Percent of Orders	Average Percent
		0	0.01	0.02	0.03	0.04	0.05	>.05,<=.10	>.10,<=.20	>.20,<=.30	>.30,<=.40	>.40,<=.50	>.50	Traded	of Participants	Initiator Receives	of Contracts
Spread	0.01	12,502	108	0	5	0	0	0	0	0	0	0	0	12,615	4	64	59
	0.02	7,190	359	0	0	0	0	0	0	0	0	0	0	7,549	6	52	49
	0.03	4,009	1,476	70	0	0	0	0	0	0	0	0	0	5,555	6	55	50
	0.04	1,710	1,364	72	0	0	0	0	0	0	0	0	0	3,146	7	56	50
	0.05	1,946	1,552	515	236	40	0	0	0	0	0	0	0	4,289	5	62	55
	>.05,<=.10	1,944	3,177	1,680	862	366	156	49	0	0	0	0	0	8,234	5	63	52
	>.10,<=.20	847	1,407	811	836	998	603	747	69	0	0	0	0	6,318	5	66	56
	>.20,<=.30	186	232	291	450	254	373	979	372	30	0	0	0	3,167	6	68	55
	>.30,<=.40	125	167	66	121	123	30	656	465	73	30	0	0	1,856	5	71	61
	>.40,<=.50	240	75	12	11	20	84	215	279	73	0	0	0	1,009	5	74	64
	>.50	166	155	103	13	38	98	272	730	407	166	100	144	2,392	5	67	56
Total Contracts Traded														56,130			

Appendix: Detailed price improvement statistics for the volume transacted through PRISM for February 2016.

Non-Customer

Month Feb 2016

Order size greater than or equal to 50

Quoting at NBBO

		Improvement												Total Contracts	Average Number	Average Percent of Orders	Average Percent
		0	0.01	0.02	0.03	0.04	0.05	>.05,<=.10	>.10,<=.20	>.20,<=.30	>.30,<=.40	>.40,<=.50	>.50	Traded	of Participants	Initiator Receives	of Contracts
Spread	0.01	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.02	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.03	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.04	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.05	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.05,<=.10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.10,<=.20	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.20,<=.30	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.30,<=.40	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.40,<=.50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.50	0	0	0	0	0	0	0	0	0	0	0	40	40	1	40	40
Total Contracts Traded														40			

Non-Customer

Month Feb 2016

Order size greater than or equal to 50

Not Quoting at NBBO

		Improvement												Total Contracts	Average Number	Average Percent of Orders	Average Percent
		0	0.01	0.02	0.03	0.04	0.05	>.05,<=.10	>.10,<=.20	>.20,<=.30	>.30,<=.40	>.40,<=.50	>.50	Traded	of Participants	Initiator Receives	of Contracts
Spread	0.01	1,213	0	0	0	0	0	0	0	0	0	0	0	1,213	1	88	88
	0.02	70	0	0	0	0	0	0	0	0	0	0	0	70	6	40	40
	0.03	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.04	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.05	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.05,<=.10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.10,<=.20	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.20,<=.30	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.30,<=.40	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.40,<=.50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Contracts Traded														1,283			

Appendix: Detailed price improvement statistics for the volume transacted through PRISM for February 2016.

Non-Customer
 Month Feb 2016
 Order size less than 50
 Quoting at NBBO

		Improvement												Total Contracts	Average Number	Average Percent of Orders	Average Percent
		0	0.01	0.02	0.03	0.04	0.05	>.05,<=.10	>.10,<=.20	>.20,<=.30	>.30,<=.40	>.40,<=.50	>.50	Traded	of Participants	Initiator Receives	of Contracts
Spread	0.01	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.02	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.03	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.04	9	0	0	0	0	0	0	0	0	0	0	9	7	44	44	
	0.05	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.05,<=.10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.10,<=.20	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.20,<=.30	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.30,<=.40	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.40,<=.50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Contracts Traded													9				

Non-Customer
 Month Feb 2016
 Order size less than 50
 Not Quoting at NBBO

		Improvement												Total Contracts	Average Number	Average Percent of Orders	Average Percent
		0	0.01	0.02	0.03	0.04	0.05	>.05,<=.10	>.10,<=.20	>.20,<=.30	>.30,<=.40	>.40,<=.50	>.50	Traded	of Participants	Initiator Receives	of Contracts
Spread	0.01	20	0	0	0	0	0	0	0	0	0	0	0	20	6	40	40
	0.02	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.03	4	0	0	0	0	0	0	0	0	0	0	4	11	50	50	
	0.04	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.05	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.05,<=.10	0	2	0	0	0	0	0	0	0	0	0	2	10	50	50	
	>.10,<=.20	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.20,<=.30	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.30,<=.40	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.40,<=.50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Contracts Traded													26				

Appendix: Detailed price improvement statistics for the volume transacted through PRISM for March 2016.

Customer

Month Mar 2016

Order size greater than or equal to 50

Quoting at NBBO

		Improvement												Total Contracts	Average Number	Average Percent of Orders	Average Percent
		0	0.01	0.02	0.03	0.04	0.05	>.05,<=.10	>.10,<=.20	>.20,<=.30	>.30,<=.40	>.40,<=.50	>.50	Traded	of Participants	Initiator Receives	of Contracts
Spread	0.01	2,750	50	0	0	0	0	0	0	0	0	0	0	2,800	5	71	74
	0.02	1,647	458	0	0	0	0	0	0	0	0	0	0	2,105	5	50	51
	0.03	1,555	327	60	0	0	0	0	0	0	0	0	0	1,942	5	52	52
	0.04	433	0	137	0	0	0	0	0	0	0	0	0	570	4	55	55
	0.05	275	409	410	55	50	0	0	0	0	0	0	0	1,199	7	50	50
	>.05,<=.10	417	692	492	100	606	169	50	0	0	0	0	0	2,526	4	56	56
	>.10,<=.20	328	291	50	103	293	383	470	0	0	0	0	0	1,918	5	50	50
	>.20,<=.30	77	0	100	0	310	0	373	64	0	0	0	0	924	7	46	46
	>.30,<=.40	0	12	88	0	0	100	280	50	0	0	0	0	530	6	43	43
	>.40,<=.50	0	0	200	0	0	55	65	220	0	0	0	0	540	6	50	51
	>.50	0	0	0	0	0	0	151	150	160	62	0	83	606	6	60	60
Total Contracts Traded														15,660			

Customer

Month Mar 2016

Order size greater than or equal to 50

Not Quoting at NBBO

		Improvement												Total Contracts	Average Number	Average Percent of Orders	Average Percent
		0	0.01	0.02	0.03	0.04	0.05	>.05,<=.10	>.10,<=.20	>.20,<=.30	>.30,<=.40	>.40,<=.50	>.50	Traded	of Participants	Initiator Receives	of Contracts
Spread	0.01	35,291	601	0	0	0	0	0	0	0	0	0	0	35,892	3	67	66
	0.02	22,611	4,257	0	0	0	0	0	0	0	0	0	0	26,868	5	63	63
	0.03	19,512	2,854	550	0	0	0	0	0	0	0	0	0	22,916	6	52	52
	0.04	9,327	2,879	216	0	0	0	0	0	0	0	0	0	12,422	5	53	51
	0.05	7,471	1,615	1,221	200	0	0	0	0	0	0	0	0	10,507	6	56	54
	>.05,<=.10	6,072	3,692	1,962	994	1,438	622	130	0	0	0	0	0	14,910	5	53	52
	>.10,<=.20	1,315	1,768	1,579	833	460	520	735	50	0	0	0	0	7,260	4	55	54
	>.20,<=.30	234	384	261	110	229	0	424	439	0	0	0	0	2,081	6	58	57
	>.30,<=.40	0	0	0	110	0	0	100	290	0	0	0	0	500	4	67	67
	>.40,<=.50	0	0	0	0	100	0	50	150	0	0	0	0	300	6	50	50
	>.50	300	50	0	125	60	0	200	311	109	75	0	155	1,385	4	50	52
Total Contracts Traded														135,041			

Appendix: Detailed price improvement statistics for the volume transacted through PRISM for March 2016.

Customer
 Month Mar 2016
 Order size less than 50
 Quoting at NBBO

		Improvement												Total Contracts	Average Number	Average Percent of Orders	Average Percent
		0	0.01	0.02	0.03	0.04	0.05	>.05,<=.10	>.10,<=.20	>.20,<=.30	>.30,<=.40	>.40,<=.50	>.50	Traded	of Participants	Initiator Receives	of Contracts
Spread	0.01	712	0	0	0	0	0	0	0	0	0	0	0	712	3	64	63
	0.02	388	243	10	0	0	0	0	0	0	0	0	0	641	5	66	67
	0.03	200	140	81	0	0	0	0	0	0	0	0	0	421	8	58	58
	0.04	55	72	34	0	0	0	0	0	0	0	0	0	161	5	69	69
	0.05	433	694	450	160	11	16	0	0	0	0	0	0	1,764	6	60	51
	>.05,<=.10	148	662	636	387	208	654	151	0	0	0	0	0	2,846	6	65	57
	>.10,<=.20	58	183	315	173	378	455	989	209	0	0	0	0	2,760	5	68	56
	>.20,<=.30	1	86	121	198	160	166	834	600	5	0	0	0	2,171	5	68	60
	>.30,<=.40	12	6	63	56	60	22	428	624	137	1	0	0	1,409	6	69	59
	>.40,<=.50	1	7	0	36	24	30	202	462	190	64	0	0	1,016	5	66	58
	>.50	32	58	4	6	19	15	259	686	381	330	247	364	2,401	4	70	60
Total Contracts Traded														16,302			

Customer
 Month Mar 2016
 Order size less than 50
 Not Quoting at NBBO

		Improvement												Total Contracts	Average Number	Average Percent of Orders	Average Percent
		0	0.01	0.02	0.03	0.04	0.05	>.05,<=.10	>.10,<=.20	>.20,<=.30	>.30,<=.40	>.40,<=.50	>.50	Traded	of Participants	Initiator Receives	of Contracts
Spread	0.01	5,991	26	0	0	0	0	0	0	0	0	0	0	6,017	4	60	53
	0.02	3,182	3,061	9	0	0	0	0	0	0	0	0	0	6,252	5	60	58
	0.03	1,440	1,618	264	3	0	0	0	0	0	0	0	0	3,325	7	58	52
	0.04	761	1,083	439	73	0	0	0	0	0	0	0	0	2,356	6	61	55
	0.05	1,773	1,966	1,035	251	182	0	0	0	0	0	0	0	5,207	5	64	57
	>.05,<=.10	1,869	2,496	1,769	1,057	544	746	227	0	0	0	0	0	8,708	5	66	58
	>.10,<=.20	1,085	1,012	904	833	806	902	1,629	161	0	0	0	0	7,332	4	69	62
	>.20,<=.30	430	340	348	247	285	322	1,175	891	24	0	0	0	4,062	5	70	60
	>.30,<=.40	185	229	86	195	247	85	484	711	89	0	0	0	2,311	4	70	61
	>.40,<=.50	70	164	10	28	21	44	214	526	123	52	0	0	1,252	4	68	62
	>.50	146	122	82	29	28	23	291	588	362	337	77	189	2,274	4	74	62
Total Contracts Traded														49,096			

Appendix: Detailed price improvement statistics for the volume transacted through PRISM for March 2016.

Non-Customer

Month Mar 2016

Order size greater than or equal to 50

Quoting at NBBO

		Improvement												Total Contracts	Average Number	Average Percent of Orders	Average Percent
		0	0.01	0.02	0.03	0.04	0.05	>.05,<=.10	>.10,<=.20	>.20,<=.30	>.30,<=.40	>.40,<=.50	>.50	Traded	of Participants	Initiator Receives	of Contracts
Spread	0.01	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.02	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.03	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.04	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.05	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.05,<=.10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.10,<=.20	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.20,<=.30	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.30,<=.40	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.40,<=.50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Contracts Traded														0			

Non-Customer

Month Mar 2016

Order size greater than or equal to 50

Not Quoting at NBBO

		Improvement												Total Contracts	Average Number	Average Percent of Orders	Average Percent
		0	0.01	0.02	0.03	0.04	0.05	>.05,<=.10	>.10,<=.20	>.20,<=.30	>.30,<=.40	>.40,<=.50	>.50	Traded	of Participants	Initiator Receives	of Contracts
Spread	0.01	552	0	0	0	0	0	0	0	0	0	0	0	552	3	80	80
	0.02	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.03	130	0	0	0	0	0	0	0	0	0	0	0	130	4	50	50
	0.04	0	0	174	0	0	0	0	0	0	0	0	0	174	0	0	0
	0.05	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.05,<=.10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.10,<=.20	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.20,<=.30	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.30,<=.40	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.40,<=.50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Contracts Traded														856			

Appendix: Detailed price improvement statistics for the volume transacted through PRISM for March 2016.

Non-Customer
 Month Mar 2016
 Order size less than 50
 Quoting at NBBO

		Improvement												Total Contracts	Average Number	Average Percent of Orders	Average Percent
		0	0.01	0.02	0.03	0.04	0.05	>.05,<=.10	>.10,<=.20	>.20,<=.30	>.30,<=.40	>.40,<=.50	>.50	Traded	of Participants	Initiator Receives	of Contracts
Spread	0.01	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.02	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.03	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.04	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.05	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.05,<=.10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.10,<=.20	0	0	0	10	0	0	0	0	0	0	0	0	10	8	50	50
	>.20,<=.30	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.30,<=.40	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.40,<=.50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Contracts Traded													10				

Non-Customer
 Month Mar 2016
 Order size less than 50
 Not Quoting at NBBO

		Improvement												Total Contracts	Average Number	Average Percent of Orders	Average Percent
		0	0.01	0.02	0.03	0.04	0.05	>.05,<=.10	>.10,<=.20	>.20,<=.30	>.30,<=.40	>.40,<=.50	>.50	Traded	of Participants	Initiator Receives	of Contracts
Spread	0.01	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.02	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.03	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.04	3	0	0	0	0	0	0	0	0	0	0	0	3	11	33	33
	0.05	0	40	0	0	0	0	0	0	0	0	0	0	40	7	40	40
	>.05,<=.10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.10,<=.20	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.20,<=.30	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.30,<=.40	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.40,<=.50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Contracts Traded													43				

Appendix: Detailed price improvement statistics for the volume transacted through PRISM for April 2016.

Customer
 Month Apr 2016
 Order size greater than or equal to 50
 Quoting at NBBO

		Improvement												Total Contracts	Average Number	Average Percent of Orders	Average Percent
		0	0.01	0.02	0.03	0.04	0.05	>.05,<=.10	>.10,<=.20	>.20,<=.30	>.30,<=.40	>.40,<=.50	>.50	Traded	of Participants	Initiator Receives	of Contracts
Spread	0.01	8,910	100	0	0	0	0	0	0	0	0	0	0	9,010	3	78	77
	0.02	4,342	1,538	0	0	0	0	0	0	0	0	0	0	5,880	3	74	73
	0.03	954	369	100	0	0	0	0	0	0	0	0	0	1,423	3	65	67
	0.04	390	0	50	0	0	0	0	0	0	0	0	0	440	4	63	63
	0.05	617	199	928	420	200	0	0	0	0	0	0	0	2,364	4	73	72
	>.05,<=.10	139	646	360	305	660	822	279	0	0	0	0	0	3,211	6	57	57
	>.10,<=.20	115	540	250	330	923	567	698	50	0	0	0	0	3,473	6	53	54
	>.20,<=.30	126	50	50	61	0	100	890	212	38	0	0	0	1,527	5	52	52
	>.30,<=.40	0	0	115	50	0	171	140	100	280	0	0	0	856	5	67	67
	>.40,<=.50	0	58	0	50	0	0	90	124	0	0	0	0	322	4	60	60
	>.50	30	0	155	0	0	100	200	213	0	63	0	136	897	6	45	45
Total Contracts Traded													29,403				

Customer
 Month Apr 2016
 Order size greater than or equal to 50
 Not Quoting at NBBO

		Improvement												Total Contracts	Average Number	Average Percent of Orders	Average Percent
		0	0.01	0.02	0.03	0.04	0.05	>.05,<=.10	>.10,<=.20	>.20,<=.30	>.30,<=.40	>.40,<=.50	>.50	Traded	of Participants	Initiator Receives	of Contracts
Spread	0.01	99,648	1,107	0	0	0	0	0	0	0	0	0	0	100,755	2.10	78.03	77.66
	0.02	52,002	9,469	0	0	0	0	0	0	0	0	0	0	61,471	4.05	65.89	65.47
	0.03	24,556	5,573	0	0	0	0	0	0	0	0	0	0	30,129	4.76	58.15	56.74
	0.04	10,273	3,013	1,017	0	110	0	0	0	0	0	0	0	14,413	3.80	57.02	59.06
	0.05	8,000	3,325	1,865	1,156	500	0	0	0	0	0	0	0	14,846	4.90	62.19	59.42
	>.05,<=.10	8,342	4,433	2,580	1,028	437	335	275	0	0	0	0	0	17,430	5.33	58.83	59.29
	>.10,<=.20	808	431	999	438	1,019	415	2,289	0	0	0	0	0	6,399	4.72	53.49	55.04
	>.20,<=.30	405	150	50	150	44	0	249	402	0	0	0	0	1,450	6.82	54.24	55.82
	>.30,<=.40	236	0	154	80	50	200	50	160	0	0	0	0	930	5.38	58.13	58.13
	>.40,<=.50	100	0	79	100	0	150	103	75	0	0	0	0	607	6.83	45.00	45.15
	>.50	80	175	0	80	100	0	178	184	236	100	0	139	1,272	5.33	52.91	51.22
Total Contracts Traded													249,702				

Appendix: Detailed price improvement statistics for the volume transacted through PRISM for April 2016.

Customer
 Month Apr 2016
 Order size less than 50
 Quoting at NBBO

Improvement														Total Contracts Traded	Average Number of Participants	Average Percent of Orders Initiator Receives	Average Percent of Contracts
Spread	0.01	0.02	0.03	0.04	0.05	>.05,<=.10	>.10,<=.20	>.20,<=.30	>.30,<=.40	>.40,<=.50	>.50						
0.01	1,260	10	0	0	0	0	0	0	0	0	0	0	0	1,270	2.57	68.44	62.57
0.02	522	207	0	0	0	0	0	0	0	0	0	0	0	729	4.32	59.68	59.56
0.03	277	283	41	0	0	0	0	0	0	0	0	0	0	601	4.74	65.68	61.63
0.04	70	102	99	25	0	0	0	0	0	0	0	0	0	296	5.94	60.12	59.48
0.05	657	1,045	653	188	77	4	0	0	0	0	0	0	0	2,624	5.29	63.18	54.07
>.05,<=.10	406	779	961	594	490	723	276	0	0	0	0	0	0	4,229	4.81	68.10	59.15
>.10,<=.20	200	331	244	386	601	588	1,668	215	0	0	0	0	0	4,233	4.62	70.41	63.21
>.20,<=.30	0	29	105	47	100	172	900	1,207	55	0	0	0	0	2,615	5.05	71.93	62.14
>.30,<=.40	2	11	27	28	40	85	422	723	170	9	0	0	0	1,517	4.52	70.85	61.53
>.40,<=.50	1	0	45	0	40	73	140	550	252	59	0	0	0	1,160	4.40	75.67	64.69
>.50	0	75	8	7	31	6	157	722	602	397	383	759	0	3,147	4.33	75.81	63.92
Total Contracts Traded														22,421			

Customer
 Month Apr 2016
 Order size less than 50
 Not Quoting at NBBO

Improvement														Total Contracts Traded	Average Number of Participants	Average Percent of Orders Initiator Receives	Average Percent of Contracts
Spread	0.01	0.02	0.03	0.04	0.05	>.05,<=.10	>.10,<=.20	>.20,<=.30	>.30,<=.40	>.40,<=.50	>.50						
0.01	10,998	47	0	0	0	0	0	0	0	0	0	0	0	11,045	3.10	69.73	65.77
0.02	3,517	2,727	6	0	0	0	0	0	0	0	0	0	0	6,250	4.14	66.40	63.56
0.03	2,064	2,211	237	1	0	0	0	0	0	0	0	0	0	4,513	5.19	62.33	57.59
0.04	1,321	1,724	731	127	20	0	0	0	0	0	0	0	0	3,923	3.95	63.48	57.34
0.05	2,770	2,255	1,579	558	151	5	0	0	0	0	0	0	0	7,318	4.67	68.27	63.98
>.05,<=.10	2,296	2,832	2,462	1,718	956	1,236	386	0	0	0	0	0	0	11,886	4.71	68.95	60.63
>.10,<=.20	1,027	1,030	747	779	950	1,327	3,098	349	0	0	0	0	0	9,307	4.10	69.41	61.59
>.20,<=.30	397	222	166	271	303	284	1,455	1,179	29	0	0	0	0	4,306	4.00	71.58	64.41
>.30,<=.40	144	179	77	52	120	72	424	688	108	10	0	0	0	1,874	4.19	73.37	67.81
>.40,<=.50	87	59	94	69	16	61	269	439	299	49	0	0	0	1,442	5.00	70.82	62.09
>.50	103	42	64	80	53	61	244	509	357	266	118	336	0	2,233	3.71	74.13	60.50
Total Contracts Traded														64,097			

Appendix: Detailed price improvement statistics for the volume transacted through PRISM for April 2016.

Non-Customer

Month Apr 2016

Order size greater than or equal to 50

Quoting at NBBO

		Improvement												Total Contracts	Average Number	Average Percent of Orders	Average Percent
		0	0.01	0.02	0.03	0.04	0.05	>.05,<=.10	>.10,<=.20	>.20,<=.30	>.30,<=.40	>.40,<=.50	>.50	Traded	of Participants	Initiator Receives	of Contracts
Spread	0.01	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	0.02	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	0.03	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	0.04	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	0.05	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	>.05,<=.10	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	>.10,<=.20	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	>.20,<=.30	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	>.30,<=.40	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	>.40,<=.50	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	>.50	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
Total Contracts Traded														0			

Non-Customer

Month Apr 2016

Order size greater than or equal to 50

Not Quoting at NBBO

		Improvement												Total Contracts	Average Number	Average Percent of Orders	Average Percent
		0	0.01	0.02	0.03	0.04	0.05	>.05,<=.10	>.10,<=.20	>.20,<=.30	>.30,<=.40	>.40,<=.50	>.50	Traded	of Participants	Initiator Receives	of Contracts
Spread	0.01	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	0.02	117	0	0	0	0	0	0	0	0	0	0	0	117	6.00	40.00	40.17
	0.03	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	0.04	200	90	0	0	0	0	0	0	0	0	0	0	290	5.00	70.00	70.00
	0.05	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	>.05,<=.10	0	0	99	50	0	0	0	0	0	0	0	0	149	2.50	75.00	75.25
	>.10,<=.20	0	0	0	0	0	0	90	0	0	0	0	0	90	1.00	100.00	100.00
	>.20,<=.30	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	>.30,<=.40	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	>.40,<=.50	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	>.50	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
Total Contracts Traded														646			

Appendix: Detailed price improvement statistics for the volume transacted through PRISM for April 2016.

Non-Customer
 Month Apr 2016
 Order size less than 50
 Quoting at NBBO

		Improvement												Total Contracts	Average Number	Average Percent of Orders	Average Percent
		0	0.01	0.02	0.03	0.04	0.05	>.05,<=.10	>.10,<=.20	>.20,<=.30	>.30,<=.40	>.40,<=.50	>.50	Traded	of Participants	Initiator Receives	of Contracts
Spread	0.01	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	0.02	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	0.03	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	0.04	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	0.05	0	2	0	0	0	0	0	0	0	0	0	0	2	8.00	50.00	50.00
	>.05,<=.10	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	>.10,<=.20	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	>.20,<=.30	0	0	0	0	0	0	0	2	0	0	0	0	2	0.00	0.00	0.00
	>.30,<=.40	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	>.40,<=.50	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	>.50	0	0	0	0	0	0	0	0	11	0	0	0	11	4.00	50.00	50.00
Total Contracts Traded													15				

Non-Customer
 Month Apr 2016
 Order size less than 50
 Not Quoting at NBBO

		Improvement												Total Contracts	Average Number	Average Percent of Orders	Average Percent
		0	0.01	0.02	0.03	0.04	0.05	>.05,<=.10	>.10,<=.20	>.20,<=.30	>.30,<=.40	>.40,<=.50	>.50	Traded	of Participants	Initiator Receives	of Contracts
Spread	0.01	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	0.02	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	0.03	9	40	0	0	0	0	0	0	0	0	0	0	49	6.00	47.33	47.62
	0.04	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	0.05	0	0	0	5	0	0	0	0	0	0	0	0	5	10.00	60.00	60.00
	>.05,<=.10	28	0	2	0	0	0	0	0	0	0	0	0	30	7.00	44.50	44.64
	>.10,<=.20	0	0	0	0	0	0	80	0	0	0	0	0	80	3.00	75.00	75.00
	>.20,<=.30	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	>.30,<=.40	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	>.40,<=.50	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	>.50	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
Total Contracts Traded													164				

Appendix: Detailed price improvement statistics for the volume transacted through PRISM for May 2016.

Customer

Month May 2016

Order size greater than or equal to 50

Quoting at NBBO

		Improvement												Total Contracts	Average Number	Average Percent of Orders	Average Percent
		0	0.01	0.02	0.03	0.04	0.05	>.05,<=.10	>.10,<=.20	>.20,<=.30	>.30,<=.40	>.40,<=.50	>.50	Traded	of Participants	Initiator Receives	of Contracts
Spread	0.01	2,280	0	0	0	0	0	0	0	0	0	0	0	2,280	3	72	71
	0.02	916	400	0	0	0	0	0	0	0	0	0	0	1,316	3	67	67
	0.03	783	0	0	0	0	0	0	0	0	0	0	0	783	7	48	46
	0.04	587	0	50	0	0	0	0	0	0	0	0	0	637	5	46	46
	0.05	663	876	325	85	0	0	0	0	0	0	0	0	1,949	6	60	59
	>.05,<=.10	825	615	1,171	581	502	336	500	0	0	0	0	0	4,530	8	54	54
	>.10,<=.20	424	423	450	750	427	616	741	75	0	0	0	0	3,906	5	52	51
	>.20,<=.30	0	0	400	0	230	0	330	0	0	0	0	0	960	7	49	49
	>.30,<=.40	0	0	0	0	0	50	287	52	0	0	0	0	389	5	50	50
	>.40,<=.50	0	0	0	0	0	0	50	0	90	40	0	0	180	6	45	43
	>.50	93	0	0	0	0	0	142	120	50	0	100	58	563	6	44	44
Total Contracts Traded														17,493			

Customer

Month May 2016

Order size greater than or equal to 50

Not Quoting at NBBO

		Improvement												Total Contracts	Average Number	Average Percent of Orders	Average Percent
		0	0.01	0.02	0.03	0.04	0.05	>.05,<=.10	>.10,<=.20	>.20,<=.30	>.30,<=.40	>.40,<=.50	>.50	Traded	of Participants	Initiator Receives	of Contracts
Spread	0.01	24,667	168	0	0	0	0	0	0	0	0	0	0	24,835	3.81	59.56	56.60
	0.02	12,156	1,617	0	0	0	0	0	0	0	0	0	0	13,773	4.19	58.29	58.11
	0.03	10,311	2,127	269	0	0	0	0	0	0	0	0	0	12,707	4.24	57.87	57.73
	0.04	4,833	1,808	190	100	0	0	0	0	0	0	0	0	6,931	5.68	51.25	51.12
	0.05	2,565	1,972	917	257	0	0	0	0	0	0	0	0	5,711	4.63	55.24	54.05
	>.05,<=.10	6,302	4,363	1,634	1,179	430	815	250	0	0	0	0	0	14,973	6.15	53.55	52.75
	>.10,<=.20	1,283	1,185	508	1,105	455	464	1,231	245	0	0	0	0	6,476	6.11	53.09	51.72
	>.20,<=.30	453	50	200	60	202	315	1,333	400	0	0	0	0	3,013	5.94	54.26	54.00
	>.30,<=.40	390	100	215	70	0	0	50	352	50	0	0	0	1,227	4.00	65.18	65.30
	>.40,<=.50	0	0	0	0	0	0	60	0	50	0	0	0	110	4.00	75.00	75.00
	>.50	0	0	0	0	0	0	56	0	50	57	0	83	246	4.00	34.40	34.53
Total Contracts Traded														90,002			

Appendix: Detailed price improvement statistics for the volume transacted through PRISM for May 2016.

Customer
 Month May 2016
 Order size less than 50
 Quoting at NBBO

		Improvement												Total Contracts	Average Number	Average Percent of Orders	Average Percent
		0	0.01	0.02	0.03	0.04	0.05	>.05,<=.10	>.10,<=.20	>.20,<=.30	>.30,<=.40	>.40,<=.50	>.50	Traded	of Participants	Initiator Receives	of Contracts
Spread	0.01	1,364	0	0	0	0	0	0	0	0	0	0	0	1,364	2.75	65.49	64.98
	0.02	699	170	0	0	0	0	0	0	0	0	0	0	869	3.85	59.80	57.22
	0.03	368	60	0	0	0	0	0	0	0	0	0	0	428	5.38	66.75	62.53
	0.04	174	191	14	0	0	0	0	0	0	0	0	0	379	5.40	63.61	59.67
	0.05	415	548	422	345	69	0	0	0	0	0	0	0	1,799	5.43	65.98	55.28
	>.05,<=.10	210	688	603	604	586	451	348	0	0	0	0	0	3,490	5.71	64.93	55.09
	>.10,<=.20	70	284	286	525	473	564	1,491	138	0	0	0	0	3,831	5.10	68.67	59.12
	>.20,<=.30	67	15	31	67	139	84	782	576	0	0	0	0	1,761	5.38	70.01	60.57
	>.30,<=.40	39	28	25	56	32	67	314	426	133	0	0	0	1,120	5.48	69.53	60.63
	>.40,<=.50	0	16	50	43	10	1	232	321	199	13	6	0	891	4.48	71.89	63.41
	>.50	13	35	0	9	11	20	247	495	386	316	235	475	2,242	4.29	74.51	61.72
Total Contracts Traded													18,174				

Customer
 Month May 2016
 Order size less than 50
 Not Quoting at NBBO

		Improvement												Total Contracts	Average Number	Average Percent of Orders	Average Percent
		0	0.01	0.02	0.03	0.04	0.05	>.05,<=.10	>.10,<=.20	>.20,<=.30	>.30,<=.40	>.40,<=.50	>.50	Traded	of Participants	Initiator Receives	of Contracts
Spread	0.01	12,000	57	0	0	0	0	0	0	0	0	0	0	12,057	2.10	71.16	68.97
	0.02	5,044	1,264	0	0	0	0	0	0	0	0	0	0	6,308	4.10	63.22	59.77
	0.03	2,690	1,466	218	5	0	0	0	0	0	0	0	0	4,379	5.10	60.82	52.87
	0.04	1,528	1,461	338	147	0	0	0	0	0	0	0	0	3,474	6.00	61.40	52.85
	0.05	1,695	1,744	986	716	191	7	0	0	0	0	0	0	5,339	5.10	68.78	59.53
	>.05,<=.10	1,862	2,472	1,989	1,354	693	580	235	0	0	0	0	0	9,185	5.24	65.12	55.44
	>.10,<=.20	946	767	958	1,017	1,041	1,127	1,954	367	0	0	0	0	8,177	4.90	70.04	58.52
	>.20,<=.30	466	187	199	207	264	201	883	478	7	0	0	0	2,892	4.29	68.94	61.13
	>.30,<=.40	142	148	91	40	64	62	491	425	66	0	0	0	1,529	3.95	70.66	63.46
	>.40,<=.50	55	44	11	35	10	25	131	132	95	4	0	0	542	4.14	75.03	69.70
	>.50	73	27	9	29	45	65	200	375	191	195	104	196	1,509	4.24	72.32	60.27
Total Contracts Traded													55,391				

Appendix: Detailed price improvement statistics for the volume transacted through PRISM for May 2016.

Non-Customer
 Month May 2016
 Order size greater than or equal to 50
 Quoting at NBBO

		Improvement												Total Contracts	Average Number	Average Percent of Orders	Average Percent
		0	0.01	0.02	0.03	0.04	0.05	>.05,<=.10	>.10,<=.20	>.20,<=.30	>.30,<=.40	>.40,<=.50	>.50	Traded	of Participants	Initiator Receives	of Contracts
Spread	0.01	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	0.02	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	0.03	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	0.04	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	0.05	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	>.05,<=.10	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	>.10,<=.20	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	>.20,<=.30	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	>.30,<=.40	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	>.40,<=.50	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	>.50	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
Total Contracts Traded														0			

Non-Customer
 Month May 2016
 Order size greater than or equal to 50
 Not Quoting at NBBO

		Improvement												Total Contracts	Average Number	Average Percent of Orders	Average Percent
		0	0.01	0.02	0.03	0.04	0.05	>.05,<=.10	>.10,<=.20	>.20,<=.30	>.30,<=.40	>.40,<=.50	>.50	Traded	of Participants	Initiator Receives	of Contracts
Spread	0.01	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	0.02	64	0	0	0	0	0	0	0	0	0	0	0	64	1.00	100.00	100.00
	0.03	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	0.04	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	0.05	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	>.05,<=.10	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	>.10,<=.20	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	>.20,<=.30	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	>.30,<=.40	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	>.40,<=.50	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	>.50	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
Total Contracts Traded														64			

Appendix: Detailed price improvement statistics for the volume transacted through PRISM for May 2016.

Non-Customer
 Month May 2016
 Order size less than 50
 Quoting at NBBO

		Improvement												Total Contracts	Average Number	Average Percent of Orders	Average Percent
		0	0.01	0.02	0.03	0.04	0.05	>.05,<=.10	>.10,<=.20	>.20,<=.30	>.30,<=.40	>.40,<=.50	>.50	Traded	of Participants	Initiator Receives	of Contracts
Spread	0.01	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	0.02	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	0.03	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	0.04	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	0.05	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	>.05,<=.10	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	>.10,<=.20	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	>.20,<=.30	0	0	10	0	0	0	0	0	0	0	0	0	10	6.00	40.00	40.00
	>.30,<=.40	0	0	0	0	0	0	0	46	0	0	0	46	0.00	0.00	0.00	
	>.40,<=.50	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00	
	>.50	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00	
Total Contracts Traded													56				

Non-Customer
 Month May 2016
 Order size less than 50
 Not Quoting at NBBO

		Improvement												Total Contracts	Average Number	Average Percent of Orders	Average Percent
		0	0.01	0.02	0.03	0.04	0.05	>.05,<=.10	>.10,<=.20	>.20,<=.30	>.30,<=.40	>.40,<=.50	>.50	Traded	of Participants	Initiator Receives	of Contracts
Spread	0.01	20	0	0	0	0	0	0	0	0	0	0	0	20	2.00	50.00	50.00
	0.02	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	0.03	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	0.04	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	0.05	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	>.05,<=.10	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	>.10,<=.20	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	>.20,<=.30	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	>.30,<=.40	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	>.40,<=.50	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
	>.50	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
Total Contracts Traded													20				

Appendix: Detailed price improvement statistics for the volume transacted through PRISM for June 2016.

Customer

Month Jun 2016

Order size greater than or equal to 50

Quoting at NBBO

		Improvement												Total Contracts	Average Number	Average Percent of Orders	Average Percent
		0	0.01	0.02	0.03	0.04	0.05	>.05,<=.10	>.10,<=.20	>.20,<=.30	>.30,<=.40	>.40,<=.50	>.50	Traded	of Participants	Initiator Receives	of Contracts
Spread	0.01	1,029	0	0	0	0	0	0	0	0	0	0	0	1,029	2	77	77
	0.02	383	205	0	0	0	0	0	0	0	0	0	0	588	6	44	44
	0.03	477	190	0	0	0	0	0	0	0	0	0	0	667	6	42	41
	0.04	503	250	0	0	0	0	0	0	0	0	0	0	753	7	44	44
	0.05	305	354	150	0	0	0	0	0	0	0	0	0	809	8	43	43
	>.05,<=.10	435	534	475	478	310	50	100	0	0	0	0	0	2,382	7	47	47
	>.10,<=.20	355	530	450	574	400	350	590	0	0	0	0	0	3,249	6	47	47
	>.20,<=.30	0	0	50	225	111	175	427	110	0	0	0	0	1,098	8	47	47
	>.30,<=.40	50	0	0	0	0	0	50	55	0	0	0	0	155	5	45	45
	>.40,<=.50	0	50	0	0	0	0	0	0	100	0	0	0	150	7	50	50
	>.50	0	80	0	0	0	38	50	219	324	0	100	107	918	6	52	53
Total Contracts Traded														11,798			

Customer

Month Jun 2016

Order size greater than or equal to 50

Not Quoting at NBBO

		Improvement												Total Contracts	Average Number	Average Percent of Orders	Average Percent
		0	0.01	0.02	0.03	0.04	0.05	>.05,<=.10	>.10,<=.20	>.20,<=.30	>.30,<=.40	>.40,<=.50	>.50	Traded	of Participants	Initiator Receives	of Contracts
Spread	0.01	33,438	251	0	0	0	0	0	0	0	0	0	0	33,689	2	67	68
	0.02	14,202	530	0	0	0	0	0	0	0	0	0	0	14,732	4	61	61
	0.03	14,193	2,175	0	0	0	0	0	0	0	0	0	0	16,368	5	54	54
	0.04	7,287	2,703	362	0	0	0	0	0	0	0	0	0	10,352	5	53	55
	0.05	6,526	2,905	963	50	100	0	0	0	0	0	0	0	10,544	5	58	57
	>.05,<=.10	7,011	4,449	3,186	1,923	794	0	150	0	0	0	0	0	17,513	7	51	50
	>.10,<=.20	1,914	1,845	1,788	1,202	805	372	1,414	0	0	0	0	0	9,340	6	49	49
	>.20,<=.30	42	690	50	100	145	113	265	400	0	0	0	0	1,805	6	48	49
	>.30,<=.40	0	0	0	0	0	0	60	104	0	0	0	0	164	7	50	50
	>.40,<=.50	50	0	100	0	50	0	0	226	0	4	0	0	430	7	42	42
	>.50	0	86	0	0	0	0	0	107	120	0	100	40	453	6	48	48
Total Contracts Traded														115,390			

Appendix: Detailed price improvement statistics for the volume transacted through PRISM for June 2016.

Customer
 Month Jun 2016
 Order size less than 50
 Quoting at NBBO

		Improvement												Total Contracts	Average Number	Average Percent of Orders	Average Percent
		0	0.01	0.02	0.03	0.04	0.05	>.05,<=.10	>.10,<=.20	>.20,<=.30	>.30,<=.40	>.40,<=.50	>.50	Traded	of Participants	Initiator Receives	of Contracts
Spread	0.01	2,122	1	0	0	0	0	0	0	0	0	0	0	2,123	2	75	74
	0.02	456	84	0	0	0	0	0	0	0	0	0	0	540	4	63	60
	0.03	323	61	0	0	0	0	0	0	0	0	0	0	384	4	68	67
	0.04	201	99	0	0	0	0	0	0	0	0	0	0	300	6	62	58
	0.05	341	477	263	121	10	1	0	0	0	0	0	0	1,213	6	60	52
	>.05,<=.10	342	498	705	503	302	169	128	0	0	0	0	0	2,647	6	60	51
	>.10,<=.20	69	279	494	500	551	400	819	120	0	0	0	0	3,232	6	61	52
	>.20,<=.30	31	31	91	163	164	143	457	229	3	0	0	0	1,312	6	59	52
	>.30,<=.40	0	11	52	6	71	57	234	250	52	0	0	0	733	6	65	55
	>.40,<=.50	0	0	0	0	2	6	106	175	73	34	0	0	396	6	62	58
	>.50	51	29	0	42	66	41	128	475	292	211	69	235	1,639	6	64	52
Total Contracts Traded														14,519			

Customer
 Month Jun 2016
 Order size less than 50
 Not Quoting at NBBO

		Improvement												Total Contracts	Average Number	Average Percent of Orders	Average Percent
		0	0.01	0.02	0.03	0.04	0.05	>.05,<=.10	>.10,<=.20	>.20,<=.30	>.30,<=.40	>.40,<=.50	>.50	Traded	of Participants	Initiator Receives	of Contracts
Spread	0.01	19,772	63	0	0	0	0	0	0	0	0	0	0	19,835	2	74	72
	0.02	4,746	283	15	0	0	0	0	0	0	0	0	0	5,044	4	65	63
	0.03	3,188	881	47	0	0	0	0	0	0	0	0	0	4,116	5	60	56
	0.04	2,115	1,429	168	8	5	0	0	0	0	0	0	0	3,725	5	59	55
	0.05	1,917	1,616	614	98	161	0	0	0	0	0	0	0	4,406	5	62	52
	>.05,<=.10	2,640	2,580	1,601	926	562	420	96	0	0	0	0	0	8,825	5	63	54
	>.10,<=.20	970	1,032	928	951	855	556	1,014	88	0	0	0	0	6,394	6	65	54
	>.20,<=.30	383	144	334	164	166	330	714	316	4	0	0	0	2,555	5	65	56
	>.30,<=.40	218	69	47	87	64	49	334	218	40	42	0	0	1,168	5	68	61
	>.40,<=.50	83	17	31	4	11	33	176	152	58	1	0	0	566	5	67	62
	>.50	146	1	10	89	17	64	179	286	137	89	38	104	1,160	5	72	61
Total Contracts Traded														57,794			

Appendix: Detailed price improvement statistics for the volume transacted through PRISM for June 2016.

Non-Customer

Month Jun 2016

Order size greater than or equal to 50

Quoting at NBBO

		Improvement												Total Contracts	Average Number	Average Percent of Orders	Average Percent
		0	0.01	0.02	0.03	0.04	0.05	>.05,<=.10	>.10,<=.20	>.20,<=.30	>.30,<=.40	>.40,<=.50	>.50	Traded	of Participants	Initiator Receives	of Contracts
Spread	0.01	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.02	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.03	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.04	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.05	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.05,<=.10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.10,<=.20	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.20,<=.30	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.30,<=.40	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.40,<=.50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Contracts Traded														0			

Non-Customer

Month Jun 2016

Order size greater than or equal to 50

Not Quoting at NBBO

		Improvement												Total Contracts	Average Number	Average Percent of Orders	Average Percent
		0	0.01	0.02	0.03	0.04	0.05	>.05,<=.10	>.10,<=.20	>.20,<=.30	>.30,<=.40	>.40,<=.50	>.50	Traded	of Participants	Initiator Receives	of Contracts
Spread	0.01	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.02	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.03	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.04	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.05	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.05,<=.10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.10,<=.20	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.20,<=.30	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.30,<=.40	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.40,<=.50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Contracts Traded														0			

Appendix: Detailed price improvement statistics for the volume transacted through PRISM for June 2016.

Non-Customer
 Month Jun 2016
 Order size less than 50
 Quoting at NBBO

		Improvement												Total Contracts	Average Number	Average Percent of Orders	Average Percent
		0	0.01	0.02	0.03	0.04	0.05	>.05,<=.10	>.10,<=.20	>.20,<=.30	>.30,<=.40	>.40,<=.50	>.50	Traded	of Participants	Initiator Receives	of Contracts
Spread	0.01	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.02	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.03	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.04	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.05	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.05,<=.10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.10,<=.20	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.20,<=.30	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.30,<=.40	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.40,<=.50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Contracts Traded														0			

Non-Customer
 Month Jun 2016
 Order size less than 50
 Not Quoting at NBBO

		Improvement												Total Contracts	Average Number	Average Percent of Orders	Average Percent
		0	0.01	0.02	0.03	0.04	0.05	>.05,<=.10	>.10,<=.20	>.20,<=.30	>.30,<=.40	>.40,<=.50	>.50	Traded	of Participants	Initiator Receives	of Contracts
Spread	0.01	20	0	0	0	0	0	0	0	0	0	0	0	20	2	50	50
	0.02	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.03	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.04	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.05	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.05,<=.10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.10,<=.20	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.20,<=.30	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.30,<=.40	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.40,<=.50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	>.50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Contracts Traded														20			

EXHIBIT 5

Deleted text is [bracketed]. New text is underlined.

NASDAQ BX Rules

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Chapter VI Trading Systems

* * * * *

Sec. 9 Price Improvement Auction (“PRISM”)

A Participant may electronically submit for execution an order it represents as agent on behalf of a Public Customer, broker dealer, or any other entity (“PRISM Order”) against principal interest or against any other order (except as provided in sub-paragraph (i)(F) below) it represents as agent (an “Initiating Order”) provided it submits the PRISM Order for electronic execution into the PRISM Auction (“Auction”) pursuant to this Rule. For purposes of this Rule, a Public Customer order does not include a Professional order.

- (i) Auction Eligibility Requirements. All options traded on the Exchange are eligible for PRISM. A Participant (the “Initiating Participant”) may initiate an Auction provided all of the following are met:
- (A) if the PRISM Order is for less than 50 option contracts, and if the difference between the National Best Bid and National Best Offer (“NBBO”) is \$0.01, the Initiating Participant must stop the entire PRISM Order at one minimum price improvement increment better than the NBBO on the opposite side of the market from the PRISM Order, and better than any limit order on the limit order book on the same side of the market as the PRISM Order.
- (B) if the PRISM Order is for the account of a Public Customer and such order is for 50 option contracts or more, or if the difference between the NBBO is greater than \$0.01, the Initiating Participant must stop the entire PRISM Order at a price that is equal to or better than the [National Best Bid/Offer (“]NBBO[”)] on the opposite side of the market from the PRISM Order, provided that such price must be at least one minimum trading increment specified in Chapter VI, Section 5 (“Minimum Increment”) better than any limit order on the limit order book on the same side of the market as the PRISM Order.
- (~~B~~)C) If the PRISM Order is for the account of a broker dealer or any other person or entity that is not a Public Customer and such order is for 50 option contracts of more, or if the difference between the NBBO is greater than \$0.01, the Initiating Participant must stop the entire PRISM Order at a price that is the better of: (i) the BX BBO price improved by at least the Minimum Increment on

the same side of the market as the PRISM Order, or (ii) the PRISM Order's limit price (if the order is a limit order), provided in either case that such price is at or better than the NBBO.

([C]D) PRISM Orders that do not comply with the requirements of subparagraphs (A), [and](B), and (C) above are not eligible to initiate an Auction and will be immediately cancelled.

([D]E) PRISM Orders submitted at or before the opening of trading are not eligible to initiate an Auction and will be rejected.

([E]F) PRISM Orders submitted during the final two seconds of the trading session in the affected series are not eligible to initiate an Auction and will be immediately cancelled.

([F]G) An Initiating Order may not be a solicited order for the account of any BX Options Market Maker assigned in the affected series.

If any of the above criteria are not met, the PRISM Order will be rejected. Pursuant to subparagraph (vi) below, the Exchange will allow a Public Customer-to-Public Customer PRISM Order to trade on either the bid or offer, if the NBBO is \$0.01 wide, provided (1) the execution price is equal to or within the NBBO, (2) there is no resting customer at the execution price, and (3) \$0.01 is the Minimum Price Variation (MPV) of the option. The Exchange will continue to reject a PRISM Order to buy (sell) if the NBBO is only \$0.01 wide and the Agency order is stopped on the bid (offer) if there is a resting order on the bid (offer).

(ii) Auction Process. Only one Auction may be conducted at a time in any given series. Once commenced, an Auction may not be cancelled and shall proceed as follows:

(A) No Change.

(B) Conclusion of Auction. The PRISM Auction shall conclude at the earlier to occur of (1) through (3) below, with the PRISM Order executing pursuant to paragraph (C)(1) or (C)(2) below if it concludes pursuant to (2) or (3) of this paragraph.

(1) The end of the Auction period;

(2) For a PRISM Auction any time the BX BBO crosses the PRISM Order stop price on the same side of the market as the PRISM Order;

(3) Any time there is a trading halt on the Exchange in the affected series.

[(4) Sub-paragraphs (B)(2) and (B)(3) above shall be effective for a pilot period scheduled to expire on January 18, 2017.]

(C) No Change.

(D) An unrelated market or marketable limit order (against the BX BBO) on the opposite side of the market from the PRISM Order received during the Auction will not cause the Auction to end early and will execute against interest outside of the Auction. If contracts remain from such unrelated order at the time the auction ends, they will be considered for participation in the order allocation process described in sub-paragraphs (E) and (F) below. [This sub-paragraph shall be effective for a pilot period scheduled to expire on January 18, 2017.]

(E) – (L) No Change.

(iii)- (vi) No Change.

(vii) [Subject to a Pilot expiring January 18, 2017, t]There will be no minimum size requirement for orders to be eligible for the Auction. [During this Pilot Period, the Exchange will submit certain data, periodically as required by the Commission, to provide supporting evidence that, among other things, there is meaningful competition for all size orders and that there is an active and liquid market functioning on the Exchange outside of the Auction mechanism. Any raw data which is submitted to the Commission will be provided on a confidential basis.]

* * * * *